DOCUMENT RESUME

ED 034 615 RC 003 868

TITLE	Rural People in the American Economy.
INSTITUTION	Department of Agriculture, Washington, D.C. Economic Research Service.
REPORT NO	AER-101
PUB DATE	Oct 66
NOTE	129p.
AVAILABLE FROM	Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20402 ($0.60)
EDRS PRICE	EDRS Price MF-$0.75 HC Not Available from EDRS.
DESCRIPTORS	*Economic Development, Educational Opportunities, *Employment Opportunities, Farm Labor Problems, Government Role, Health Services, Housing, Living Standards, Minority Groups, Planning, *Rural Development, *Rural Economics, Rural Population, Rural Schools, *Services, Welfare Services

ABSTRACT

An initial report of the Economic Development Division analyzes rural America from a number of viewpoints: size and characteristics of the rural population, well-being of the rural population, ways of life and making a living, troubled areas, current economic changes, and future prospects. The publication deals briefly with the history of the rural population; it then concerns itself with factors affecting the participation of rural people in the nation's development, emphasizing considerations important to the future of rural America. In addition to the maps and charts in the body of the document, pertinent literature is cited and an appendix of numerous statistical tables is included. (DB)

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RURAL PEOPLE IN THE AMERICAN ECONOMY

RC003868

AGRICULTURAL ECONOMIC REPORT NO. 101
ECONOMIC RESEARCH SERVICE
U.S. DEPARTMENT OF AGRICULTURE

ED034615

PREFACE

As part of the response to President Johnson's mandate to the Department of Agriculture to assume responsibility for the welfare of all rural people, both farm and nonfarm, the Economic Research Service was reorganized on August 13, 1965. The reorganization brought into being the Economic Development Division.

The Economic Development Division attempts to recognize the problems of rural America and develop understanding of the conditions in which farm and nonfarm rural people live. A goal of the Division is to contribute to knowledge about economic growth and decline of areas and regions as these relate to people living in the open country, towns, and rural cities removed from the major urban metropolitan centers. There is concern with how to raise incomes and better the quality of life, especially for those in rural America whose opportunities are below those of most persons in the Nation. This includes appraisal of efforts to enhance the productivity of persons, of public and private capital investments, and of other measures of governments and organizations.

The present report is an initial contribution of the Economic Development Division to these missions. It analyzes rural America from a number of viewpoints--size and characteristics of rural population, well-being, ways of life and making a living, troubled areas, current economic changes, and prospects. Planning for the economic development of the rural part of American society is a major theme.

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October 1966

RURAL PEOPLE IN THE AMERICAN ECONOMY

By
Economic Development Division
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INTRODUCTION

PAST DEVELOPMENT

The high level of living and the sustained growth made possible by the performance of the American economy are recognized as being among the outstanding achievements of mankind. Never have so many persons been so prosperous and experienced such a prolonged period of rising average income.

Rural America has shared significantly in these accomplishments. One of the benefits of this progress is that rural people may enjoy the income standards of an advanced industrial economy and still enjoy the satisfactions of rural living. There are several reasons why this has become possible. Scientific agricultural research and programs to maintain farm incomes have helped. Advances in manufacturing and distribution have enabled rural people to purchase goods required for a comfortable life and for modern farming. As the use of automobiles has spread everywhere, industrial plants have been located increasingly within commuting distance, enabling more and more rural people to earn nonfarm income.

Yet, despite its widespread benefits, economic development is an uneven process, often striking adversely those who are close to the mainsprings of growth. For example, the productivity advances of some American farmers have reduced the possibilities for earning a good living for hundreds of thousands of farmers who are unable to expand and adapt to newer techniques. This has led to adverse impacts in and near rural areas, particularly affecting those who sell to farmers.

Some rural groups have experienced longstanding isolation. As the rest of the Nation has advanced, these groups have continued to use methods of production which were fashionable 50 years ago. Indeed, many rural American Indians live and work as they did several hundred years ago.

While rural America is different from urban America because it contains the Nation's farms and because some parts of it are isolated, a more fundamental distinction is that population is sparse throughout all of rural America. Supplying public services and planning for economic activities must be carried out on a different basis than in the dense urban areas of the country.

This publication aims to contribute to an understanding of the varied and changing face of rural America. It is concerned with factors affecting the participation of rural people in the Nation's development, emphasizing considerations important to the future of rural America.

THE MEANING OF RURAL

Rural and urban are meaningful concepts, but they are not discrete and they are not easy to apply statistically. Manhattan Borough, N.Y., is the epitome of urbanness and a cattle ranch in the sand hills of Nebraska is unquestionably rural. But what about the subdivision of 50 homes that lies outside the boundaries of a small city? Perhaps it is surrounded by open fields, and includes only 200 people, but it is clearly an outgrowth of the city. What of the military installation out in the country that contains thousands of men and hundreds of dependents, with streets, schools, stores, and other typical features of cities? What of the farms in a township that has incorporated itself as a municipality to avoid annexation by a neighboring city? Are these areas and the residents of them urban or rural? There are no easy answers to such questions. People today live in a variety of situations that grade subtly from rural to urban.

The present report uses the urban-rural definitions employed in the Census of Population. In general, the Census defines rural residents as persons living in the open country or in communities of less than 2,500 people. The closely developed suburbs of large cities are treated as urban. In Census usage, the small subdivision outside a small city (less than 50,000) would be classed as rural; the military installation would also be rural; the farms inside an incorporated area would be urban, if the incorporated population were 2,500 or more.

Despite the existence of marginal cases, such as those described, the basic distinction between rural and urban is one of density of population. The difference in average rural and urban population densities is quite sharp. In 1960, the average density of population in the rural areas of the United States was 15 persons per square mile. Urban areas, in contrast, averaged 3,113 persons per square mile. Although 70 percent of the American people are urban, urban places occupy less than 2 percent of the total land area, leaving more than 98 percent of our land rural in the character of its occupancy.

An exception to the basic density distinction between urban and rural is the inclusion of towns of less than 2,500 inhabitants as rural. These places typically are settled at a density of 1,000 or more people per square mile. The origin of the decision to treat small towns as rural is not known. The rule was established in 1910, and probably stemmed from a conception that most places of less than 2,500 population lacked a full range of urban services. It may also have reflected a belief that places of this size were likely to be essentially rural trading centers with little in the way of independent industrial development.

Whatever the original reasons, the distinction has remained. Arguments have been advanced both for raising the population limit of rural towns and for lowering it, but they have not been sufficiently compelling to change the rule, other than to insure that suburban metropolitan places will be treated as urban regardless of size.

Although the essence of rurality is living in the open country or in small communities, the rural population is not homogeneous in its situation. Around metropolitan cities, rural settlement often reaches 200 or more people per square mile, and the bulk of the rural population may commute to nearby urban areas for work. At the other extreme, large areas in the mountains of the Western States, including Alaska, are practically uninhabited, with an average of perhaps only 1 person per 10 square miles. In many areas of the Middle West and the South, rural is still basically agricultural. But, in the coal fields of the Southern Appalachians, mining is often the basis of rural settlement. In the Piedmont areas of the Carolinas, textile and clothing mills, scattered through numerous small towns and in the open country, are the support of a relatively dense rural population.

Rural people and rural areas are not independent of urban society. They are increasingly interdependent. The life styles and aspirations of the population are largely national rather than urban or rural. But the incidence of many social and economic problems differs substantially between urban and rural areas. Despite variations in the character of rural settlement, rural areas share common problems associated with the provision of, and access to, adequate public and private services and employment under conditions of comparative sparsity of population. Such basic rural similarities and rural-urban differences show no sign of vanishing; they continue to give need for statistical distinction between these populations.

RURAL PROBLEMS AND PROSPECTS

About 3 in every 10 persons in the United States are rural residents. The total rural population in 1965 was nearly the same as in 1960 and has been stable since 1950, as shown in table 1.

The composition of the rural population, however, has been far from stable. At about the time of World War II, the number of nonfarm rural people began to exceed the farm population and is now almost four times as large. The industrial composition of the nonfarm rural labor force has become more and more similar to that of the Nation at large. Similarly, employment participation of women has been steadily rising, although it remains below the national average.

The stability of the rural population, combined with relatively high birth rates, has meant that not all persons growing up in rural areas have remained there. If movements continue as they were in the

Table 1.-- United States: Rural population by age, 1950, 1960, and 1965[1]

Age	1950 (Census)	1960 (Census)	1965[2] (estimate)
	Millions		
Total..	54.5	54.1	53.9
Under 14 years....	16.2	17.1	16.6
14-24......	9.2	8.5	9.3
25-34......	7.6	6.3	6.0
35-44......	7.0	6.7	6.3
45-54......	5.6	5.9	5.9
55-64......	4.4	4.5	4.8
65 and over	4.5	5.0	5.1

[1] Figures are rounded without being adjusted to group totals.

[2] Estimates of the Department of Agriculture.

Source: 1960 Census of Population (42, vol. 1, pt. 1). (Underscored numbers in parentheses refer to items listed in Literature Cited, p. 99.)

1950 decade, the rural population will be about 53.8 million in 1970. On the other hand, if sufficient job opportunities were to open up in rural America, and if there were no net outmigration from rural areas, the rural population by 1970 might be about 63.8 million. A realistic appraisal is that the actual population will be between these two limits and will depend in part on national policies followed between now and 1970.

Relative Well-Being

Evidence is abundant that the quantity and quality of education, training, health, housing, welfare programs, and antipoverty efforts fall short for rural Americans when compared with the Nation as a whole. Rural people receive the benefits of a natural environment, but in almost all areas their access to manmade cultural advantages, including libraries, live music, and locally oriented communications media is limited. There are special problems of supplying each of these services and amenities in rural areas, and the problems are particularly serious for education despite some progress in school consolidation.

Three common problems occur in supplying services and amenities in rural areas. First, there is the income problem. Rural Americans are deficient in education, health, housing, and other services partly because their incomes are low. Incomes of of nonfarm rural people are above those of farm people, but both groups are substantially below the national average. Even if incomes were equal to those of people in urban areas, amenities and services available to rural Americans would still lag because of the other two common problems.

Second, there are community problems. The availability of services and amenities depends on group decisions affecting the amount and kind of spending to supply them. Rural communities do not have ready access to able technical help in planning. Among impediments to group action is the necessity of obtaining cooperation of several units of government to have sufficient operational size for programs requiring large expenditures.

Third, there are the costs of sparsity. Mainly because of higher transportation costs, low density of population increases the cost of supplying a given level of services per person. Furthermore, sparsity of population reduces the tax base which can be used to finance the supplying of the services.

Rural America contains heavy concentrations of underemployment. Underemployment occurs when people earn less than their potential because their nominally full-time occupation is really only seasonal or because, when they do work, they use inefficient methods of production from which they receive little income. Underemployment can be measured by translating it into the amount of unemployment that would result in a similar loss. The unemployment equivalent of underemployment in rural America was estimated to be 2.5 million in 1960.[1]

Low incomes in rural America, in part, reflect rural poverty. About half of all poverty in the United States is rural. Approximately 1 in every 16 persons in the Nation is in rural poverty.

There are several types of rural poverty. Especially heavy concentrations are found on small inefficient holdings in the economically lagging regions which include Appalachia, the Ozarks Region, rural New

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[1] This figure applies to persons aged 20 to 64 who are in the rural labor force.

England, and the Upper Great Lakes States. There are sharecroppers and independent owners on low-income cotton farms scattered throughout the South. There are resident and migratory farm laborers. The incidence of poverty is high among the Spanish-speaking rural population and among American Indians. And there are rural poor scattered throughout the country in relatively prosperous areas. Much of the rural underemployment exists among middle-aged and older farm operators. The incomes of many in this group are so low as to put them in poverty.

The causes of poverty are varied and interacting. A small part is due to physical and mental handicaps. A more substantial part can be cured by a high overall national employment rate, especially if it is sustained over several years. There are harder cores to the poverty remaining after one accounts for that due to innate personal handicaps and lack of overall employment opportunities. The poverty of many farm families is confined to one generation. Sons and daughters tend to find their way out into productive, higher earning occupations, even though parents approaching middle age do not themselves make such changes.

An even harder core of poverty goes on from generation to generation. Members of the intergenerational poverty classes include those who are so culturally disadvantaged that they have not been equipped to become fully participating members of society. Also included are members of older, self-insulating cultures which protect themselves from new ways. Hard-core rural poverty is more self-perpetuating than hard-core urban poverty because of its geographical concentration, which affects attitudes and group efforts for entire areas. The lack of ability of the person in poverty to help himself extends to a lack of leadership in helping to better the group.

Not even those in the hardest core intergenerational cycles of rural poverty are completely locked in. Young persons from all ethnic groups are choosing to enter into the mainstream of American life in preference to strict adherence to the ways of their parents. What is true for them is true to an even greater extent for other persons above and below a poverty level of income. As a Nation we are becoming more alike. All groups are tending to meld into a higher income, similar way of life.

Factors Shaping the Future

In the rural America of the future, it appears likely that occupations, incomes, and spending patterns will become more and more similar to those in urban areas. A prerequisite to the future economic development of rural America is the maintenance of a high level of national prosperity, which will provide job opportunities extending into rural areas. Some of the most dramatic changes in rural population in recent years have resulted from Federal decisions regarding the location of military and space installations. The space age and defense contract expenditures, however, appear to have had more impact in urban areas than in rural areas.

Rural problems and regional development problems are closely related. Heavy concentrations of low-income rural people are found in the lagging regions of the Nation, which are of concern in the Appalachia Act and the Public Works and Economic Development Act. The situation of rural residents contributes importantly to the unfavorable showing of these regions in terms of income and other indicators of well-being and economic performance. Because of sluggish growth of employment opportunities in these regions, millions of persons have been left occupationally stranded--particularly unskilled, adult rural men. They, with their families, have stayed on, and their problems have been compounded by the lack of revenues to support adequate public services. Regional lag has widened because of the resulting disadvantage in ability to provide skills, services, amenities, and facilities which would make these regions well suited to industrial growth.

Until recently, the way that people and jobs were located throughout the United States was not recognized as being a matter of national concern. Today, however, there is increasing consciousness of the costly aftereffects of disparities in regional growth, and there is increasing consciousness that where people live is one of the things that matters most to them. These realizations come at a fortunate time in history, because improvements in communication and transportation are reducing differences in costs of producing goods as between locations. Where a man makes his living is more a matter of his own choice than ever before.

Current regional development efforts aimed at lagging regions are attempting to influence the geographic distribution of people and jobs. As more and more regions are included in these efforts, a national economic program is emerging, influencing the points where income and employment growth occur.

In short, geographical considerations are being taken into account in attempting to raise national output and people's satisfactions from the output. How to do this depends in part on costs of resource transfers among regions. Very likely, the goals imply a more even distribution of economic growth among regions than has occurred in the past. In the future, it may be possible to specify minimum growth targets for each region. These would be chosen partly to avoid the largest costs associated with resource transfers among regions. The targets would not rigidly specify the regional distribution of growth, but would put bounds on differences in regional growth rates.

Just as there is more freedom to influence regional growth patterns, so there is more freedom to make choices, as between living in town or living in the country. Congestion and other problems of urban life make modern rural life increasingly favored. Although approximately a third of the population in the Nation is rural, the Gallup poll has indicated recently that half of all persons prefer living in rural areas. This way of life will be attractive to more and more people if the rural America of the future offers the income opportunities and the best of the physical and cultural amenities of an urban society--plus the wholesomeness, beauty, and convenience of uncongested natural surroundings.

What happens to the individual rural community will continue to depend on the extent to which the community recognizes and acts on its potentials. Largely as a result of the automobile revolution, the rural community has been greatly changed. Rural areas of the country are much less isolated within themselves, and the size of the central community made possible by the wider daily mobility has increased substantially. The rural community of today typically consists of several counties. While smaller subcenters are still found to fulfill some daily shopping and service needs, these tend to be spaced farther apart than formerly, are larger, and generally keep up to date in retailing and other practices.

In those parts of the country where the major centers are towns and smaller cities, differences in characteristics of rural and urban people are disappearing. The economic ties due to purchases, sales, and off-farm work of farm families are increasingly oriented to a local metropolis. Farm people, especially those whose incomes permit, build homes and buy furniture, appliances, food, and other items like those living in the metropolis. Through relatives and local organizations, they have strong social ties with the metropolis.

At the same time, the automobile is making it possible for those whose livelihood is in town to partake of the benefits of living in the open country. People who formerly would have had to live in town for work reasons are choosing to commute, living beyond the built-up areas and becoming increasingly interspersed with the farm population.

There are about 500 of these multicounty areas in the United States, as determined by commuting patterns and other economic and social links. In all areas, the number of rural people is significant, and in many the rural population is predominant. There are some areas, even where density would permit, where nodal centers of shopping and commuting have not grown up, but could be developed. There are others, in the Great Plains, for example, where the population is so sparse that some people live outside the commuting range of any existing or potential center. For these persons, special solutions are needed, including possibly resort to mobile health and other services and itinerant teachers. Solutions may also involve youths living away from home at an earlier age for education and training. Two-thirds of all rural people live within an hour's driving of a center of 25,000 persons or more. Even for them, the best plan for determining the feasible supply of services and amenities (such as size of school or number of medical specialists) will vary, depending on population density.

Several basic factors may be identified that determine the extent to which job opportunities and incomes grow in a multicounty area. First, there are factors affecting the profitability of locating industry there. One reason that profitability is different among areas is that the cost of production differs due to locational advantages.

A second factor affecting community economic development is nodal growth resulting from the advantages of locating several activities together. For example, a growing center may reach sufficient volume to have wholesaling activities attracted to it rather than needing to have wholesaling done through some larger center. When a center grows large enough, financial, legal, and advertising firms may be attracted to it because the number of customers for their services becomes large enough. Firms supplying inputs to manufacturing establishments such as machinery and repairs will be attracted to a center when the manufacturing complex becomes large enough.

A third factor has to do with attitudinal and institutional considerations. These affect the general climate of opinion which new industry will encounter. More specifically, they affect willingness to supply facilities and services which are important to firms planning to locate in an area. It is extremely important to gain a better understanding of local government expenditure and taxation behavior and of other group decision making as it affects development of an area.

The impact of new activity within an area will depend on its economic structure. If there are many associated industries buying and selling from one another in the area, and if residents do most of their shopping there, then the local impact of new activity will be large. If one goal of an area is to increase its employment opportunities, then its economic structure may influence the kinds of activities that it seeks to foster.

Each multicounty community must be analyzed separately in order to understand how its unique features affect its development. There are, however, some common characteristics of the growth process for a great many of the Nation's multicounty communities which have as their centers smaller cities and towns. Increasingly, high-level managerial skills are mobile in the sense that large firms in the Nation operate plants in several regions, and are on the lookout for profitable places to start production. Furthermore, executive and professional personnel have been found to be willing to move to new plant sites.

Financial markets, aided by Government loan programs, make it possible readily to acquire the financial capital necessary to build plant and equipment in one location about as easily as in another. Because they tend to be located away from the Nation's major metropolitan centers of population, locational advantages of production for multicounty areas with smaller centers will not tend to be in market-oriented production.

For some rural communities, unique natural resources--water, wood, minerals--may provide a basis for development. For the majority of the Nation's multicounty areas outside of commuting range of the major metropolitan centers, labor supplies in nonprofessional occupations appear to be a critical factor in development. To achieve development requires attention to the kinds of activities that can utilize these human resources and how they can best be enhanced through local actions.

Communities which have large numbers of people who have completed high school tend to be attractive to prospective employers. Employers also are attracted by provision of vocational and technical education, assuring the availability of the higher level operators and craftsmen who are a complement to most modern industrial processes.

For communities to achieve sustained development, timing is important. As youths reach the age to enter the labor market, job opportunities must be available or most of them will move away. With the passage of time, the lack of job opportunities may lead to a situation where the most productive members of a community have been lost. The population then consists mostly of elderly people, middle-aged underemployed rural people who are not easily retrainable, and youngsters not entering the labor force in sufficient numbers to provide an attractive labor pool. In this way, if a community does not capitalize on its available labor pool, its opportunity to develop may be lost permanently. This has happened in some of the depressed areas of the country already. A challenge to rural economic development efforts is to prevent its happening in the rest of rural America.

Goals and Planning

Economic development in rural America may be defined in terms of the extent to which certain broad sets of goals are achieved. One set of goals has to do with bettering the lot of rural people. This may include raising incomes, particularly for those with low incomes, through providing higher paying job opportunities. It also includes upgrading publicly supplied services and amenities until they are on a par with those in the rest of the Nation. Another set of goals concerns increasing the number of job opportunities with adequate pay, thus reducing the necessity for persons to move away from the environs of their own rural areas to make a living. Within this set of goals, there may be differences in national, regional, and local viewpoints. There is scope for finding growth patterns that are consistent with national, regional, and local viewpoints.

A final broad set of goals has to do with bettering the lot of all people, regardless of whether they are urban or rural, and regardless of where they reside. More efficient agricultural production, beautiful parks for all to visit, and natural resources projects to benefit future generations are examples of efforts that may be made to contribute to these goals.

Integrated community development planning is needed for the multicounty areas. Only if planning is done for this size of area is it possible to be sure that public actions are reasonably consistent with one another. Especially in sparsely settled areas, one or a few larger centers for education or other services may be more effective than several small ones. Planning can contribute to growth of an economical center of activity rather than fragmented growth. One important advantage of planning is self-realization, helping to create a cohesive and orderly bond of interests serving as a focus of community life.

Planning begins with a statement of goals and attempts to develop a strategy for key actions to help reach the goals. A step too often neglected in developing this strategy is analysis of reasons for local conditions and of factors governing the future. Planning is a continuous process that allows for interplay between goals and actions with alternatives offered, subject to democratic choice.

It follows that integrated planning consists of far more than planning city facilities or use of space. A strategy must be developed that includes (1) community facilities such as streets, roads, schools, training centers, and hospitals as found in the usual city plans; (2) specialized personnel and programs directly connected with the facilities and services to be provided, especially concerning their financial support and their relationship with State and Federal programs; (3) measures aimed at particular segments of the economy-- such as agriculture, loans for business, or accelerated public works programs; and (4) special programs aimed at needs of target groups including programs for the poor and the aged.

In addition to helping to provide a basis for job creation, integrated planning can help in two ways to bring opportunities to rural and other Americans who tend to be bypassed in the usual course of economic development. First, planning is needed for the nondeveloping areas where the old and the young are numerous, and where there tend to be middle-aged underemployed persons. Second, integrated planning needs to give special attention to those in economically growing areas who do not share fully in area progress. Within each developing area, there is a problem of outreach into the rural hinterland to involve outlying local people in the total multicounty community.

RURAL PEOPLE AND THEIR WORK

POPULATION

Historical Summary

When the first Federal census was taken in 1790, the rural population consisted of 3.7 million persons. This represented 19 in every 20 Americans. As the Nation developed, the rural population expanded steadily. It continued to be larger than the urban population for nearly a century and a third. The first census to show that the country had become predominantly urban was that of 1920 when the urban population numbered 54.3 million as compared with 51.8 million rural.

For years, the rural population was considered to be practically the same as the farm population. The rural population today, however, contains millions of people who have little or no connection with agriculture. These people work in manufacturing, mining, or recreation, are retired, or are at colleges, institutions, and military installations in rural areas. Another part of the rural population consists of persons whose lives are closely linked with agriculture, yet who do not live on farms. They include farm laborers, agricultural processors, and suppliers of farm equipment.

In 1920, farm people comprised 61 percent of the rural population. Since that time, the farm population has declined almost steadily. Farm residents have been characterized by rather large families, but continued heavy outmigration from farms has produced farm population declines. On the other hand, the nonfarm component of the rural population has increased. Nonfarm rural people live in villages and places of less than 2,500 inhabitants, and in nonfarm homes in the open country.

From 1920 to 1940, the urban population increased by 38 percent, while rural residents increased by only 11 percent. Within the rural population, the nonfarm rate of growth was nearly as high as the urban, while the number of farm people declined only slightly as the great depression of the 1930's retarded off-farm migration.

Between 1940 and 1950, during World War II and postwar reconversion, the urban growth rate more than doubled its previous level, while the rural population had no growth. However, unprecedented changes were taking place within the rural population. The farm population declined by nearly a fourth as several factors combined to draw millions of people away from the farm. Rapid mechanization of farming, military service, the great expansion of industrial activity, and the extension of industrial plants into rural areas each played a part in influencing a net of more than 11 million people to move off the farm, or, at least, to abandon agriculture. From the 1940 level of 30 million, the farm population was down to 23 million by 1950. Concurrently, the nonfarm component of the rural population continued to expand. The shift from farm to nonfarm in the rural population proceeded so rapidly that the nonfarm rural population, which comprised less than half of the rural total in 1940, constituted about 60 percent in 1950.

During the 1950's, the urban rate of growth reached the high levels of the beginning of the century when urban ranks were swelled by large numbers of immigrants. The rural population, on the other hand, remained almost stationary, despite the continued substantial growth of the nonfarm rural population. Farm residents had decreased in number to little more than a fourth of the rural total by 1960. Precise comparisons of farm population data over the decade of the 1950's are difficult because of the radical alteration in the definition of farm residence used by the census in 1960.[2] The official figure for 1960 by the new definition was 15.6 million, which represented a decline of about a third since 1950.[3]

Unprecedented technological progress in agriculture, nonfarm employment, and many other factors have produced a continued lowering of the size of the farm population. In 1965, it was estimated that there were 12.4 million farm residents.

In 1960-65, the net outmigration from farms averaged 794,000 persons per year, a somewhat smaller number than the yearly average of 1,013,000 from 1950 to 1960 (fig. 1). But it is smaller only because the base farm population from which the migrants are drawn is smaller, and not from any slackening in the rate of migration. The annual migration rate, which is the amount of net farm migration expressed as a percentage of the average annual farm population, was -5.7 percent from 1960 to 1965, compared with -5.3 percent from 1950 to 1960. The rate of outmovement from farms since 1960 is nearly as high as that which occurred during the years of World War II when unprecedented economic and military conditions encouraged migration. The gradual reduction in the number of persons leaving farms has somewhat eased the impact of such migration on receiving areas, but the relative impact on the sending farm communities is as high as it has ever been.

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[2] In 1960, farm residence was determined by using a definition based on criteria of land acreage and value of agricultural products sold. Formerly, farm residence was determined on the basis of the respondent's opinion as to whether his house was on a farm or ranch.

[3] The figure of 15.6 million is an annual average for 1960 derived from the Current Population Survey of the Bureau of the Census. The enumerated farm population in the 1960 Census was 13.5 million.

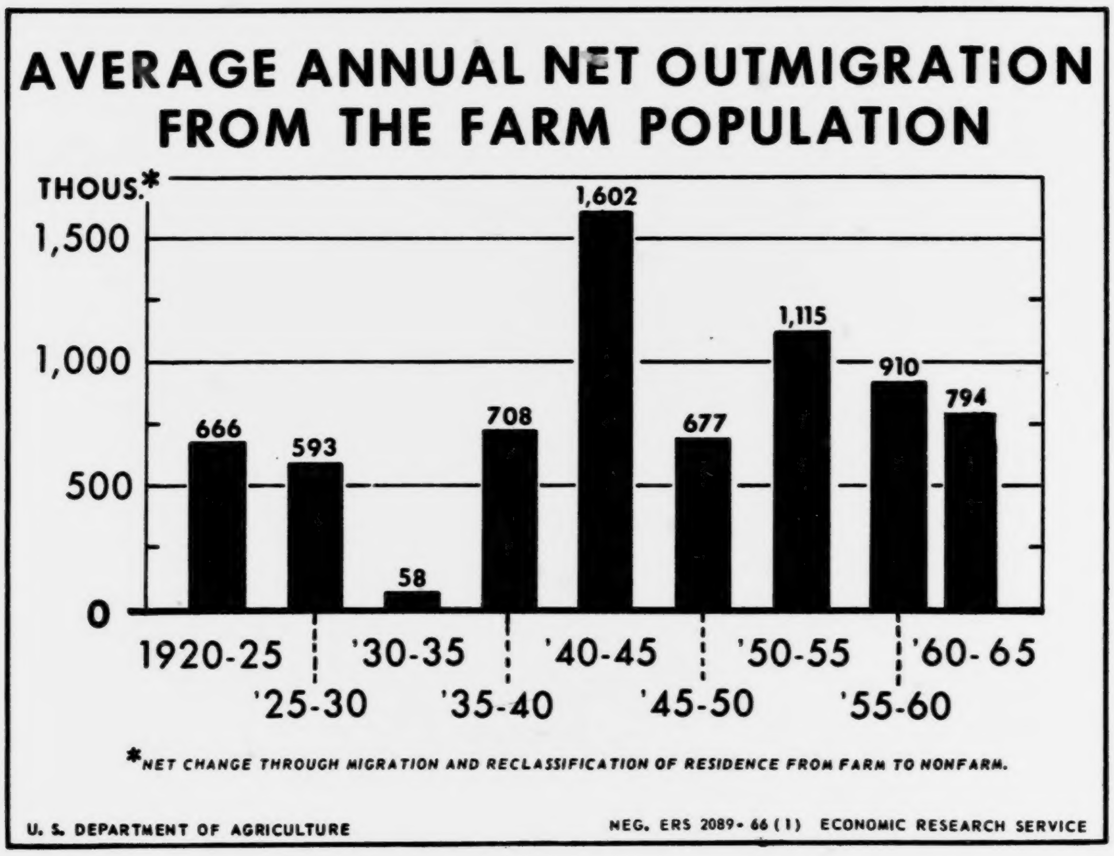

Figure 1

Regional Change

The growth of urban population relative to rural has occurred in all regions, but at different rates. The Northeast has been predominantly urban since 1880, and the North Central and Western Regions since 1920. The South did not become predominantly urban until 1960, following the large decrease (40 percent) in its farm population during the 1950-60 decade. This decrease in the South stemmed from: (1) The widespread decline in tenant farming in cotton and, to a lesser extent, in tobacco, as farming practices were modernized, and as labor was displaced through consolidation of land into larger operating units; (2) the rapid conversion to forestry of certain upland areas not well-suited to farming; and (3) the reclassification as nonfarm of many residential-type operations, especially in the Appalachian areas. The East South Central States (Kentucky, Tennessee, Alabama, and Mississippi) comprise the only geographic division which still had more of its people in rural than in urban areas in 1960.

Rural population change in the 1950's by State economic areas is shown in figure 2. Rural loss of more than 10 percent characterized the interior coastal plain of the Lower South from Georgia through Texas. This was also true of contiguous areas of the Great Plains, especially from Texas to Nebraska. Other zones of heavy loss were sections of the Allegheny Plateau (particularly the coal fields), much of the Ozarks and other upland country of Arkansas, Oklahoma, and Missouri, and marginal Corn Belt areas of Iowa and Missouri. For the most part, these areas are bordered by others that had rural losses of up to 10 percent.

At the other extreme are areas of sizable rural increase, many of which grew from net migration as well as from natural increase. Gains of more than 10 percent in rural population occurred in State economic areas of Florida, California, and Nevada, as might be anticipated from the boom character of those States. Gains were also widespread in the hinterlands of the large industrial centers of the Lower Great Lakes and the Atlantic Seaboard. For the most

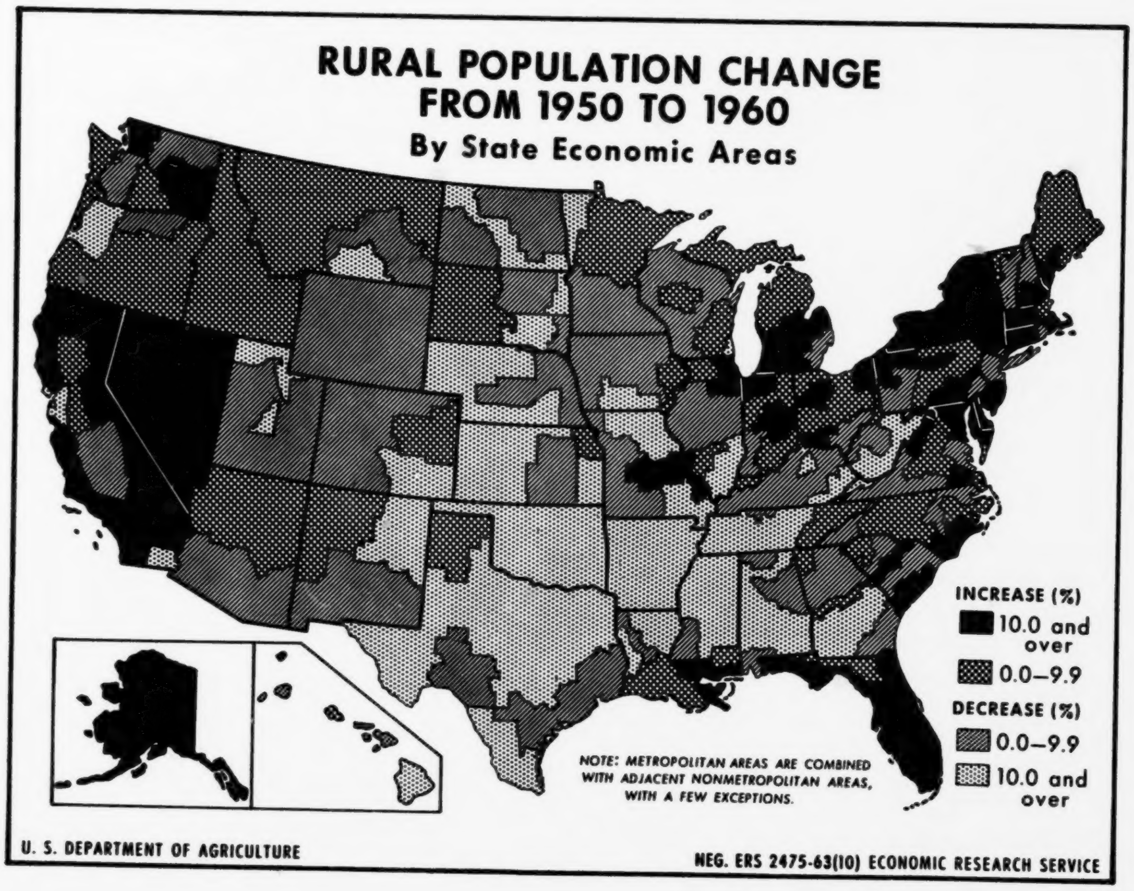
RURAL POPULATION CHANGE FROM 1950 TO 1960
By State Economic Areas
INCREASE (%)
■ 10.0 and over
▩ 0.0–9.9
DECREASE (%)
▨ 0.0–9.9
░ 10.0 and over
NOTE: METROPOLITAN AREAS ARE COMBINED WITH ADJACENT NONMETROPOLITAN AREAS, WITH A FEW EXCEPTIONS.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 2475-63(10) ECONOMIC RESEARCH SERVICE

Figure 2

part, areas of growing rural population had large farm population losses. However, agriculture has not been the principal rural activity in such areas, and increases in numbers of nonfarm rural people have more than offset farm losses. Many areas of recent rural population growth in the Northeast and the East North Central States earlier passed through a period of mild rural population losses based on agricultural changes. The revival of rural growth here is associated with factors seldom part of the traditional rural primary industries of farming, mining, and lumbering, but rather associated with manufacturing and commuting to urban employment (2).[4]

Age Structure

In 1960, the median age of the rural population was 27.3 years, compared with a median of 30.4 years for the urban. Rural people are younger on the average because of a higher proportion of children and a lower proportion of adults of working age.

Largely because of the persistence of higher birth levels in the 1950's, the median age of the total U.S. population fell slightly, from 30.2 years in 1950 to 29.5 years in 1960. This decline in median age is a reversal of an aging trend which was in evidence for more than a century.

Both urban and nonfarm rural people shared in the age decline from 1950 to 1960, but the median age of the farm population continued to advance. The farm population differed from the other residence groups because of the continued heavy out-migration of young adults and children from farm areas, which left this group with a higher proportion of older adults. Between 1950 and 1960, the median age of the farm population increased from 26.3 to 29.6 years.

Farm people differ greatly in age composition from both urban and nonfarm rural populations. The farm population has a heavy base of young children under 18 and a very small young adult group 18-34 years, with the bulk of the adult population being middle-aged. Farm people 60-69 years old outnumber those who are 20-29 years old, whereas persons 20-29 outnumber those 60-69 by 80 percent in the nonfarm rural population and by 65 percent in the urban population. The age structure of the farm population has resulted from heavy out-migration of young adults over the last 20 years.

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[4] Underscored numbers in parentheses refer to items listed in Literature Cited, p. 99.

The larger proportion of young children in the rural population reflects high fertility rates, which can be compared by considering the number of children ever born to women 35-44 years of age. (Women of this age are the youngest group that has nearly completed its lifetime childbearing.) In 1960, the number of children born per 1,000 women of this age was 2,269 in urban areas and 3,001 in rural areas.

About 2,130 children ever born per 1,000 women are needed for population replacement. This allows for the loss of children who are born but fail to survive to the average age of childbearing. Comparing the requirement for population replacement with completed fertility, it can be seen that urban women have borne children at a rate of about 7 percent above replacement level in recent years. Rural women, on the other hand, have had 40 percent more children than needed for replacement. Among farm women, this excess is more than 55 percent. Although women living in rural areas have more children than women in urban areas, the gap has narrowed between the two groups.

Sex Ratios

The ratio of males to females is sharply different for the rural and urban populations. In 1960, rural men outnumbered rural women by a ratio of 104 to 100, while the urban ratio was only 94. There are fewer age groups in the rural population than in the urban with a large difference between the number of males and females. One reason for the retention of men in the rural population is that many rural industries--such as farming, mining, logging and milling, and defense work--employ relatively few women compared with industries in urban areas. But even among children under 15 years old, the ratio of males to females is higher in rural than in urban areas.

The preponderance of males exists in both the farm and nonfarm parts of the rural population. However, males outnumber females to a greater extent in the farm population. In 1960, the sex ratios were 107 for farm and 103 for nonfarm rural people. Young farm women tend to leave farms sooner than do young men, and widowed women tend to leave farms unless they remarry.

Color Composition

At the turn of the century, more than three-fourths of the nonwhite population in the United States was rural. Nonwhites were still predominantly rural as late as 1940. The high proportion of nonwhites in rural areas was due primarily to the large numbers of Negroes employed in agriculture. The change from a predominantly rural to a predominantly urban population group had been observed 20 years earlier in the white population. Since 1940, the rise in percentage of urban nonwhites has been very rapid. During World War II, military service and the increased manpower needs of war industries resulted in large numbers of nonwhites leaving rural areas. Between 1940 and 1950, the proportion of the nonwhite total that was rural declined from 52 to 38 percent. Rural declines continued during the 1950's as agriculture required less manpower and urban employment opportunities increased. By 1960, only 28 percent of the 20.5 million nonwhite persons were rural residents.

Among nonwhites, Negroes predominate; nonwhite groups in the United States other than Negroes are a small fraction of the total population--less than 1 percent. With the exception of the American Indian population, nonwhites are located mostly in urban areas. The high incidence of rural residence among Indians results partly from the location of many of them on reservations, which were established in rural areas. Many reservations are still distant from the major urban centers.

Between 1950 and 1960, the total white rural population remained almost stationary while the nonwhite decreased by 9 percent. The overall decrease among rural nonwhites was associated with a 23-percent decline in farm residents which was not offset by nonfarm rural increases. On the other hand, in the white rural population, the even heavier decline of 34 percent in farm population was counterbalanced by net movement into nonfarm rural areas.

Since 1960, the nonwhite farm population has been declining much more rapidly than the white. Between 1960 and 1965, the nonwhite farm population decreased by 41 percent while that of whites decreased by 17 percent. During these 5 years, a third of the drop in farm population can be attributed to the exodus of nonwhites from farms.

Dependency

The dependency ratio is useful as a measure of the extent to which the material production and income of persons working may need to be shared with persons not of working age. To determine dependency ratios, the population under 15 years of age and 65 years of age and over, is taken as a fraction of the population 20-64 years old. In 1960, for each 1,000 productive-aged people, there were 863 in the dependent age groups for the rural population as compared with 727 for the urban population. In the rural population, there was little difference in the dependency ratio of farm and nonfarm rural people. The higher dependency ratio for the rural population, compared with the urban, primarily reflects the higher fertility rates of rural people. For every 1,000 productive-aged persons in the rural population, there were 680 children and 183 older persons. The comparable figures for the urban population were 559 children and 168 older persons.

With increasing life expectancy, changes have occurred in demand for products and services suited to dependents' needs and in financial support of older persons through extension of various types of insurance and social security. The influence of larger numbers of older people in the population will be felt further in the future throughout the Nation as the elderly continue to make up an increasingly larger proportion of the dependent population.

LABOR FORCE

Today's rural labor force (persons 14 years old or over working or actively looking for work) may number about 20 million persons, although no firm current statistics are available.[5] This estimate represents a small increase over the 1950 and 1960 levels of roughly 19 million. The continued declines in farm employment are thought to have been more than offset by increases in the numbers of rural persons engaged in nonfarm occupations.

The rural labor force was probably about a fourth of the average 78.5 million persons in the country who worked or looked for work in 1965, approximately the same proportion that the rural population comprised of the total. Workers living on farms were about 7 percent and those in nonfarm rural areas about 18 percent of the total labor force of the country.

Labor Force Participation

The extent to which the residential segments exhibit variation in labor force participation is associated with a wide variety of factors. Of primary importance is the demographic mix--the proportions of males and females in the various age groups, the racial composition, the proportions of single versus married persons, the proportions of married women with young children to care for, and other factors. The participation in the labor force of these demographic groups is, in turn, based not only on such economic factors as the numbers and types of jobs available, but also on personal and societal attitudes toward work, stemming from custom and tradition, and other social and psychological variables.

In 1960, about 51 percent of the rural population 14 years old and over was in the labor force, compared with 57 percent in the urban population. This difference is due principally to the fact that fewer rural than urban women have paid employment. Not only are fewer jobs available to rural women, but a higher proportion of the women are married and have young children. In addition, rural attitudes have not traditionally encouraged women to work outside the home or family business. Nevertheless, the employment of rural women has increased tremendously in recent decades, following the general trend. Women now constitute about 26 percent of the rural labor force, whereas they were only about 16 percent in 1940.

The lower participation rate in rural areas is due also to the fact that males, particularly nonwhites, are in the labor force to a lesser extent than urban males. Although rates for nonwhite urban males are lower than those for whites, the difference between white and nonwhite rates is much greater for the rural males.

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[5] Current estimates are by the Economic Research Service. Discussion in the rest of this section relies primarily on data from the decennial Censuses of Population.

The generally lower rate of labor force participation of nonwhite men, which is observed for nearly all age groups in all three residence categories, stems from many factors. For example, continued rebuffs when seeking jobs associated with lack of education and skills, or due to discriminatory hiring practices, may be a factor that causes relatively more nonwhite men to discontinue looking for work and to actually withdraw from the labor force. Relatively poorer health, on the average, and different attitudes toward work may also be associated with their lesser participation.

The white-nonwhite differential is particularly striking among nonfarm rural males. The labor force data utilized here relate to a week in late March, when agricultural work is at a low point. Many nonfarm rural men do hired farmwork during the busy agricultural seasons. They do not look for this type of work in March, and they may not look for other types of work for some of the reasons cited above.

In contrast to men, nonwhite women have higher participation rates than white in all three residence classes. More nonwhite women are heads of households, or for other reasons, must be employed. The participation of rural nonwhite women is, however, very much lower than that of urban nonwhite women. The relative scarcity of jobs in rural areas is an important reason for this. Another reason is that many rural nonwhite women are without basic occupational or educational skills, or they may face discriminatory hiring practices. Furthermore, relatively more urban than rural nonwhite women are either single or heads of households; thus they are often required to earn a livelihood.

Because work is available, no matter how relatively unproductive some of it may be, a higher proportion of farm males, among the young teenagers and the elderly, are in the labor force than is true of males in these ages in the nonfarm rural or urban population. Similarly, because jobs for women are not as available on farms, their participation at all age levels is lower than that of women in nonfarm areas.

Changes in Industrial and Occupational Composition

The occupation and industry mix of the rural labor force has been substantially altered as a result of the dramatic increases and decreases in various industry and occupational segments of the rural labor force, which have brought it closer in composition to that of the urban population (12) (fig. 3).

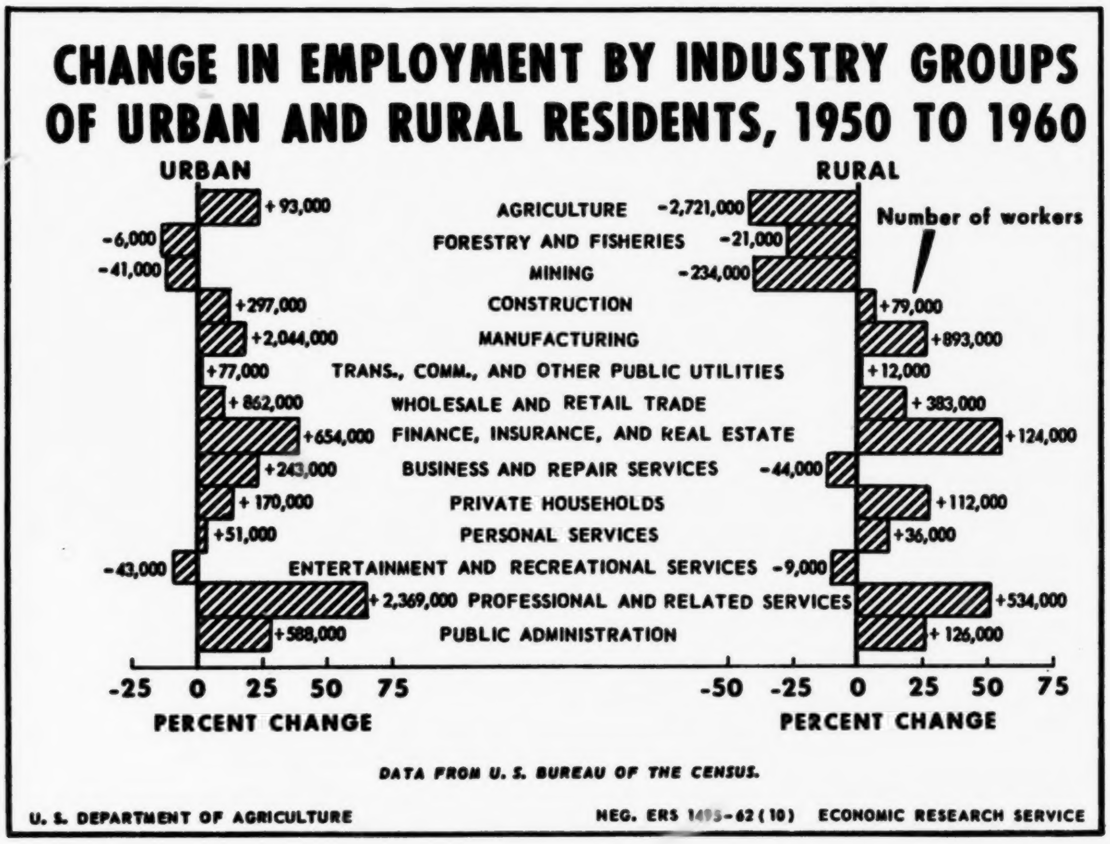

Figure 3

To summarize briefly, rural employment in: (1) Extractive industries has declined; (2) manufacturing and various types of trades and services has increased sharply; (3) other industries has increased moderately; (4) farming and laboring occupations has declined; and (5) all other major occupations has increased.

Industrial Composition

The industrial structure of the labor force is very different for farm residents and for rural residents who do not live on farms. The work of farm residents is still overwhelmingly agricultural (6 out of 10 farm residents worked in agriculture in 1960), although the number of persons employed in agriculture was lower in 1960 than it was more than 100 years ago. The next two most important industries employing farm residents were manufacturing and the service industries, which together provided jobs for a fourth of the farm residents.

In contrast, the industrial composition of the nonfarm rural force was fairly similar to that of urban workers. Manufacturing employed slightly more than a fourth of the labor force in each of the nonfarm groups. The service industries, including private household work, entertainment and recreation, education, hospitals, and public administration, also employed about a fourth of each nonfarm labor force. Trade supplied about a fifth of the jobs to urban and nonfarm rural people.

The nonwhite labor force in both farm and nonfarm rural areas is substantially different in industrial composition from that of the white labor force in these areas. In general, nonwhites are more heavily concentrated in agricultural work. Among farm residents, 7 out of 10 nonwhite persons work in agriculture, but only 6 out of 10 white persons do. Nonfarm rural nonwhite workers are heavily represented in agriculture also, unlike white persons in these areas.

Occupational Composition

As with industry, occupations of persons in the labor force in nonfarm rural areas in 1960 were more akin to the occupations of their urban neighbors than they were to the job categories of farm residents. Blue-collar work, not farmwork, predominates among nonfarm rural men; more than half of the men were working at blue-collar jobs, a fourth at white-collar jobs, and about a tenth at farmwork. (fig. 4.)

Among the farm residents, men living on farms and working on farms (70 percent) far outnumbered men in all other occupational groups combined. Most of these men were farm operators. The majority of the remaining male farm residents worked in the blue-collar occupations, primarily as skilled and semiskilled workers.

Farm women were not so highly concentrated in farmwork as men. Only a fourth of these women worked as farm operators or farm laborers. The rest worked in blue-collar and service occupations to the same degree as urban women. Factory work, for example, offered employment to 15 percent of the women living on farms and to the same proportion of women in the cities. The same is true for the service occupations which provided work for about a fifth of the women in farm and urban areas. Only in the clerical fields were women farm residents employed in substantially smaller proportions than women in nonfarm rural areas.

There was a pronounced difference in the occupations of white and nonwhite women, regardless of type of residence area. Service jobs, particularly domestic work, dominated the occupational structure of the nonwhite female labor force in all areas. These jobs provided employment to two-fifths of the nonwhite women in farm areas and to two-thirds of the nonwhite women in nonfarm rural areas in 1960. The other large occupational category for nonwhite women was farmwork, which occupied 40 percent of the farm women and 10 percent of the nonfarm rural women. Blue-collar and white-collar jobs for nonwhite women in the rural areas are scarce, indeed, compared with the proportion of white women who are holding these jobs.

Continued Decline in Farm Employment

Total agricultural employment has declined in almost every year since the end of World War II. It was 8.6 million in 1945 and only 4.6 million in 1965. The decline over the two decades cut agricultural employment by almost half, compared with an increase of about a half in total employment outside agriculture during the same period.

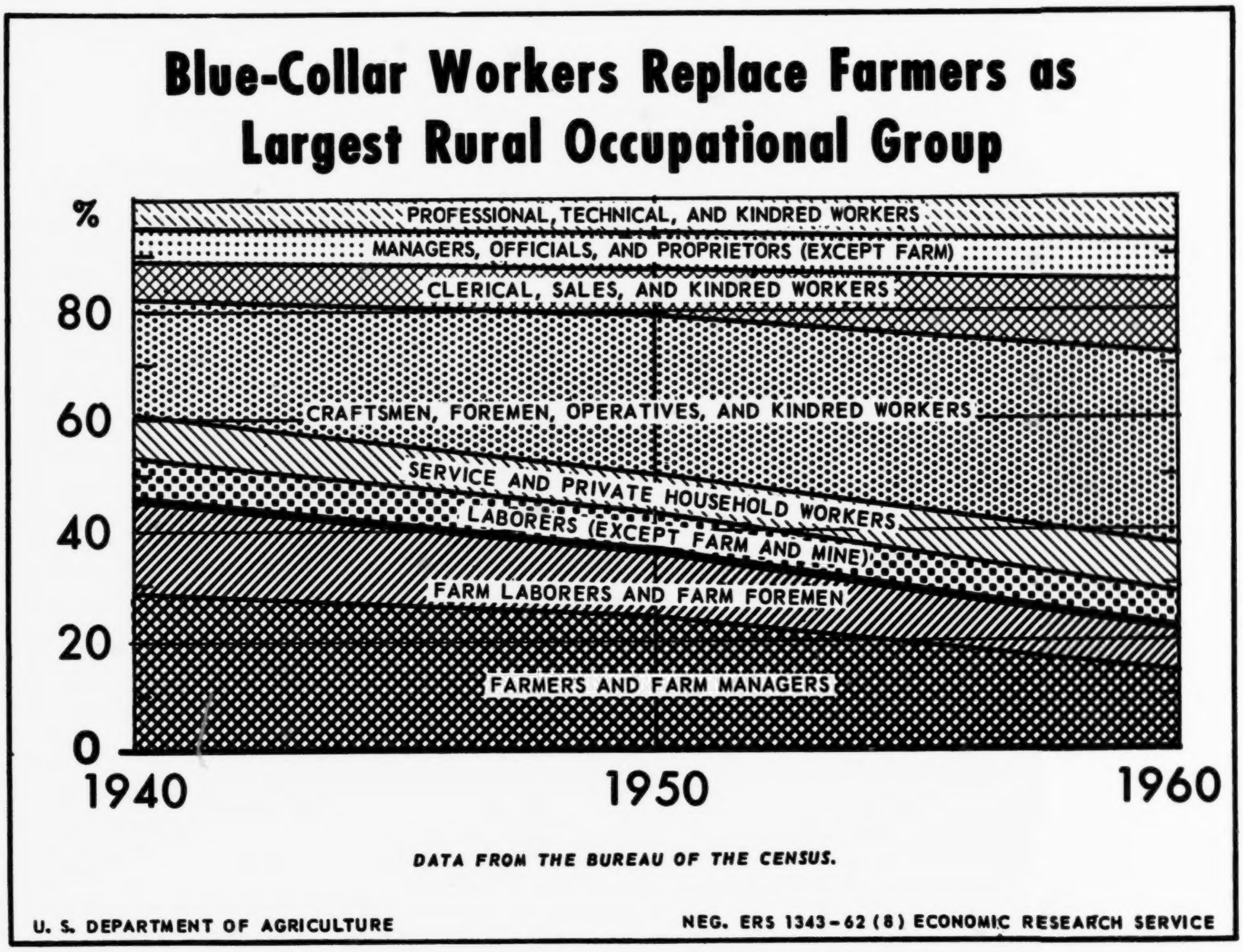

Figure 4

Within agriculture, only the number of family workers declined while those employed as wage and salary workers remained about the same.

UNEMPLOYMENT AND UNDEREMPLOYMENT

Unemployment rates were higher for nonfarm rural residents than for urban residents in 1960. In the nonfarm rural labor force, 6.1 percent were unemployed as compared with 5.1 percent in the urban labor force. This disparity varied by educational level. Higher unemployment rates for nonfarm rural men and women were concentrated among those who had not been to college, while there was little difference between nonfarm rural and urban unemployment rates for persons who had completed some college work.

Unemployment rates for farm women in 1960 were much higher than for farm men, and tended to approximate rates prevailing for other women in the country. Due to the low reported unemployment of farm men, the unemployment rate of 3 percent for farm residents as a whole was markedly lower than for nonfarm rural and urban residents. However, the reported unemployment rate is not a good indicator of utilization of manpower resources of farm people because of the substantial amount of underemployment on farms. Most farm operators report that they are employed rather than looking for work, even though in off-seasons they are doing only a few hours of work per week. Furthermore, underemployment may take the form of producing very little during those hours that are worked.

For example, a man's education and other capacities might qualify him to earn $2 an hour in nonfarm work, which in a full-time position of 2,000 hours per year would result in an income of $4,000. But if he is a farm operator, he may net only $3,000 per year. The loss is the same as if he were unemployed 3 months of the year.

The unemployment equivalent of underemployment can be estimated by comparing actual earnings of large groups of persons with earnings of large groups of their counterparts with respect to earning capacities, values, and tastes. This has been done by the Economic Research Service for persons in the rural labor force. The unemployment equivalent of underemployment of those in the labor force between the ages of 20 and 64 is estimated to have been 2.5 million man-years in 1960. This amounts to 15.6 percent of the rural labor force in these age groups in that year.

Of the 2.5 million man-years of underemployment, 1.1 million was among farm residents. This was 26.5 percent of the 1960 farm labor force between 20 and 64 years of age. The 1.4 million man-years among nonfarm rural men and women between 20 and 64 amounted to 12 percent of this labor force.

There was little variation in the severity of underemployment between farm men and women. The percentage for men was 26 and for women, 27. There were, however, decided differences between nonfarm rural men and women. Nonfarm rural women suffered underemployment almost as severe as for the farm people —20.5 percent. Nonfarm rural men experienced underemployment equivalent to 8.5 percent of the labor force.

These estimates of underemployment pertain only to those in the labor force. The probably large number, particularly of rural women, who are not in the labor force because there are no employment opportunities available within range of their homes, are not included here as underemployed.

INCOME

Nonfarm Rural

Nonfarm rural income is below that of urban dwellers, but is substantially higher than that of farm people. The median income of nonfarm rural families in 1959 was 84 percent of the median for all U.S. families.

This relationship between nonfarm rural family income and all U.S. family income is about the same as that prevailing between adult males in the two populations. For instance, while nonfarm rural median family income was 84 percent of the U.S. median, nonfarm rural males between 20 and 64 years of age had a median income that was 87 percent of that for all U.S. males of these ages. This indicates that low nonfarm rural family incomes do not result primarily from the lack of a male breadwinner of working age.

One important reason why incomes are low in rural America is that earning capacities are low. Another important reason is that incomes attained are below earning capacities.

Earning capacities can be estimated on the basis of education, age, occupation, proportion in the armed forces, and other factors that affect income, regardless of whether one is an urban or rural resident. Because of an unfavorable mix of these characteristics, for males in the labor force between the ages of 20 and 64, it is estimated that nonfarm rural median income would have been 95 percent as great as U.S. median income in 1959 if incomes received had been equal to estimated earning capacities. The difference between 100 and 95 percent is an estimate of the extent to which incomes are low due to low earning capacities. The difference between 95 percent of the U.S. median income for men 20 to 64 years of age and the figure of 87 percent (which nonfarm rural men actually received) estimates the extent to which incomes received are below earning capacities.[6] Incomes were furthest below capacities for the older, more poorly educated nonfarm rural males.

Farm

While incomes of farm people have increased over time, they have made little progress in improving their low standing relative to nonfarm people. For farm families, median money income was only 57 percent of the U.S. median family income in 1959.

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[6] The difference between earning capacities and actual earnings is the same concept used above in estimating underemployment.

For farm males in the labor force between the ages of 20 and 64, the actual median income in 1959 was only 56 percent of the U.S. median for males of comparable age. It is estimated that this actual median for farm males would have been 89 percent of the U.S. median if incomes realized had been equal to those attained in the United States as a whole by persons of comparable earning capacity. The difference between 100 and 89 percent is therefore an estimate of the extent to which farm male incomes are reduced due to relatively low earning capacities.

In making comparisons between money income for persons on farms and money income for all persons in the country, however, allowance should be made for differences in the nonmoney components of income, such as home-produced food, and possible deduction of some housing costs before calculating net money income. It is assumed here that a money income 85 percent as great for persons on farms as for persons in the United States as a whole who have comparable earning capacities would represent the same real income.

When this allowance is made (0.89 x 0.85 = 0.76), it results in an estimate that a median money income for farm males between 20 and 64 years of age that was 76 percent of the money median for all U.S. males of the same age group would represent for these farm men real income equivalent to that obtaining in the country as a whole for labor of comparable capacity.

The difference between 76 percent and the actual median income, which is 56 percent of the U.S. median, reflects the extent to which farm male incomes are low as a result of failure to realize incomes commensurate with those prevailing in the United States as a whole for men of comparable earning capacity. As with nonfarm rural males, this discrepancy between actual and potential earnings is greatest for older, less well-educated groups.

Farm males include many family workers and many men engaged primarily in nonfarm work. Taking only farm operators, it is estimated that a median money income 79 percent of that for all U.S. labor force males 20 years of age and over would be expected on the basis of comparable income-earning capacity. As a group, however, these farm operators attained a median money income only 59 percent of that for all U.S. males 20 years of age and over.

Farms with sales of more than $20,000 achieve parity of income in the sense here used. It is estimated that smaller commercial farms would require increases of about 30 percent for those with sales between $10,000 and $20,000, to more than 200 percent for farms selling less than $2,500 worth of farm products, if the operators were to have incomes equal to earning capacities. Part-time and part-retirement farms would need much smaller increases.

Rural Families in Poverty

In 1960, rural people comprised about 30 percent of the Nation's population. If we use the $3,000 income level as the poverty line, we find that 46 percent of the families with incomes below this level lived in rural areas. About 16 percent of this 46 percent rural aggregate was accounted for by families living on farms. In 1964, farm families comprised 6.5 percent of all families in the Nation. It is estimated that they accounted, as in 1960, for 16 percent of all families having incomes of less than $3,000.

PROJECTIONS TO 1970

The future size of the rural population and labor force will be largely determined by migration trends, and these in turn will be heavily influenced by economic development. But economic factors are not the only ones that motivate people to remain in, leave, or move to rural areas. Some rural young people prefer to live in rural areas, while others wish to live in urban centers. Their preference may be related to style of life or may stem from the type of occupation they wish to pursue. Often the opinion is expressed that the rural environment is a good one in which to raise children. Certain rural areas also attract people as places of retirement. Nevertheless, economic influences are probably the dominant factors in determining rural migration.

Projection A

Two projections of rural population to 1970 have been made to illustrate the effect of different patterns of migration (table 2). In Projection A, it is assumed that from 1960 to 1970 no migration will occur from the rural population. Growth would then be determined by the balance of projected births and deaths. The rural population would grow by about 9.7 million (from 54.1 in 1960 to 63.8 million in 1970). By far the most rapid growth would occur in the group aged 20 to 29, which would experience a 4 million increase. Young people entering this age during the 1960's were born during a period of high birth rates. They are more numerous than the birth groups that precede them. More importantly, this is the age group at which the heaviest movement to urban areas normally occurs. Therefore, if the net movement of rural youth to urban areas should cease, the number of young rural adults would increase very rapidly.

Under Projection A, the population under 20 years old would grow by about 20 percent. Among those 10 to 19, the increase would come largely from halting the outmovement of older teenagers. The number of children under 10 is affected by the number of young adults of childbearing age in the population. With the rapid growth in numbers of persons 20 to 29, the number of children born would rise by 19 percent even without any increase in fertility rates per family. At ages 30 to 44, declines in population would occur as persons born during the low birth-rate years of the depression reached these ages. At age 45 and above, substantial gains would result.

Projection B

Suppose, on the other hand, that migration rates from the rural population continued during the 1960's at levels similar to those that are estimated to have prevailed in the 1950's (Projection B). In this event, the 1970 rural population would be 53.8 million, or some 200,000 smaller than in 1960, and nearly 10 million smaller than the number that would be present without migration. Of this difference, about 6.8 million would stem from the migration of people alive in 1960 and 3.1 million would result primarily from the smaller number of births that would occur in the rural population during the decade. All age groups would experience some net outmovement. The migration rates would be less than 10 percent for all ages above 30. However, for persons 10 to 19 years old in 1960, and becoming 20 to 29 by 1970, the outmovement would amount to 34 percent.

Labor Force

The effects of these two hypothetical projections on the rural civilian labor force are also illustrated in table 2. The figures are based on a continuation of the rural labor force participation rates observed in 1960, taking sex, age, and farm-nonfarm residence into account.

The absence of net movement to urban places (Projection A) would imply an increase in the rural labor force of 3.5 million, a growth of 19 percent. If these people were to be employed, an equal growth in jobs located in rural areas or accessible to rural residents by commuting would be required. Four-fifths of the additional jobs would have to be available for workers under 30 years of age in 1970, even if this group also absorbed all the jobs made available by the 430,000 decline in workers 30 to 44 years old. The total number of additional nonagricultural jobs needed would be larger than 3.5 million due to the continued decline in number of farms.

If the rural population experiences net outmovement similar to that of the 1950's (Projection B), the rural labor force would remain almost unchanged in total size by 1970. But this would still imply the need for a growth in nonfarm jobs sufficient to offset the drop that is now occurring in farm jobs.

Economic Development

The actual course of rural population and labor force change will almost surely fall somewhere between the projections discussed. The rate of economic development in, or accessible to, rural areas that would be necessary to absorb all of the oncoming rural labor force seems far beyond the realm of achievement at the moment. On the other hand, there are a number of programs which provide greater opportunities in rural areas than were present during the 1950's. These can alter the type of movements observed in recent decades, even if at presently authorized program levels it is unlikely the rural-to-urban direction of the movement would be reversed.

The programs referred to include the investment loans, technical and other assistance from the Public Works and Economic Development Act of 1965, the various manpower training programs, the expanded loan authorities of the Farmers Home Administration for water facilities, nonfarm

Table 2.--Illustrative projections of rural population and labor force, for the United States, 1970 1/

Age	1960 Census	Projection A--with no net migration		Projection B--with net outmigration to urban areas			
		Projected 1970 population with no migration during 1960-70 decade 2/	Population change, 1960-70 with no migration during decade	Projected 1970 population with outmigration during 1960-70 decade 3/	Population change, 1960-70 with outmigration during decade	Implicit rural-urban net migration, 1960-70	Migration rate 4/
	Thou.	Thou.	Thou.	Thou.	Thou.	Thou.	Pct.
			TOTAL RURAL POPULATION				
Total, all ages	54,054	63,792	+9,738	53,845	-209	-9,946	-15.6
0-9 years	12,344	14,709	+2,365	11,571	-773	-3,138	-21.3
10-19	10,214	12,252	+2,038	10,926	+712	-1,326	-10.8
20-29	6,100	10,151	+4,051	6,679	+579	-3,472	-34.2
30-44	10,019	9,250	-769	8,391	-1,628	-859	-9.3
45-64	10,345	11,786	+1,441	11,060	+715	-728	-6.2
65 and over	5,033	5,644	+611	5,220	+187	-424	-7.5
			RURAL CIVILIAN LABOR FORCE				
Total, 14 years and over	18,212	21,667	+3,455	18,227	+15	-3,440	-15.9
14-19 years	1,418	2,013	+595	1,726	+308	-287	-14.3
20-29	3,345	5,930	+2,585	3,852	+507	-2,078	-35.0
30-44	6,233	5,802	-431	5,266	-967	-536	-9.2
45-64	6,283	6,915	+632	6,492	+209	-424	-6.1
65 and over	933	1,006	+73	892	-41	-114	-11.3

1/ Figures are rounded to the nearest thousand without being adjusted to group totals. 2/ Projections to 1970 under the assumption of no migration during 1960-70 were developed for the population 10 years old and over in 1970, by applying 10-year survival ratios to the 1960 population. For the population under 10 years in 1970, a method based on age-specific ratios of children under 5 years per 1,000 women 15-49 years was utilized. Projections were made for farm and nonfarm rural populations separately, with rural totals obtained by summation. 3/ Projections to 1970, under the assumption of rural-urban migration during 1960-70 decade, were developed by assuming that estimated rates of net migration observed during 1950-60 decade would continue through the 1960-70 decade. Migration rates were applied to farm and nonfarm rural populations separately, with rural totals obtained by summation. 4/ Estimates of 1960-70 net migration expressed as a percentage of the population that would survive to 1970.

Source: 1960 Census of Population and unpublished data from Economic Research Service, U.S. Dept. of Agr.

business capital, and recreation enterprises; improved educational facilities encouraged by the Elementary and Secondary Education Act and by enlarged authorizations for vocational education; the increased rural community planning resulting from the Rural Areas Development Program; the activities sponsored by the Economic Opportunity Act; and the efforts to extend such programs into rural areas by the Rural Community Development Service of the Department of Agriculture.

AVAILABILITY OF SERVICES AND AMENITIES

OVERVIEW

A person's well-being depends only partly on the material things he is able to buy. As stated in the preceding part of the report, incomes of rural people are lower on the average than for the rest of the Nation. Therefore, they are able to buy less. The pattern of their purchases is also somewhat different. An important reason is that the price or terms on which items can be acquired are not the same. Rural people must travel greater distances in doing shopping and errands, making for greater transportation costs. They are less likely to regularly visit modern retail establishments such as those found in urban shopping centers.

Farm families in the past relied on home gardens to supplement their money incomes to a much greater extent than they do now. In 1950, the average value of home-produced food per farm family was $337, but by 1965 it was only $245. Housing costs are sometimes lower in rural than urban areas because land values for dwelling sites are lower. Each item of the family budget could be examined for rural-urban differences.

Services supplied partly or wholly through government often do not appear in the family budget, but they affect a person's well-being. These services include fire protection, police protection, water for household use, sewage disposal, roads, and street lights - to name only a few. This part of the report concentrates on certain services which are particularly important to young persons, influencing their abilities to earn a living and helping to shape the kinds of persons they will become in adult life. Education, health, housing, and welfare programs have been singled out for attention.

Many things affect a person's well-being in addition to the privately purchased and government-supplied goods and services that have been mentioned. These include a person's friendships, group activities, the way one is able to spend leisure hours, daily communications media available, and natural and manmade characteristics of the environment. To this list could be added all the nonmaterial things which people ultimately strive for after their physical needs have been reasonably met. Together, these factors determine the quality of people's lives. Even if the more obvious material rural-urban differences did not exist, there would still be differences in the quality of life. Some rural-urban differences in quality of life will be considered below.

EDUCATION AND TRAINING

Educational Attainment

The level of educational attainment is generally lower among rural than urban people. In 1960, the average years of school completed by the population 25 years of age or older was 11.1 years for urban residents compared with 9.5 years for nonfarm rural residents and 8.8 years for farm people. Urban areas in 1960 also had proportionately more adults with some college education than did rural areas, 19 percent compared with 11 percent.

Some of the differences in educational attainment favoring the urban population have become wider between 1950 and 1960. For example, in 1960, half the adults in the farm population had completed 8.8 years of school, a gain of only 0.4 of a year since 1950 in the median grade completed, whereas the median years of school completed by the urban adult population of 11.1 in 1960 rose by practically a full year since 1950.

Despite the substantial differences in urban and rural school enrollment for some age groups in 1950, enrollment rates in 1960 were only slightly less in rural areas, except for kindergartens and colleges. However, school dropout rates are greater in rural areas. Rural areas also have higher rates of school retardation (percentage of students enrolled in a grade lower than the expected grade for their age). In 1960, 6.9 percent of urban youth aged 8 to 13 were retarded in school compared with 11 percent of nonfarm rural youth and 11.2 percent of farm youth. The school dropout rate for 18- and 19-year-olds in rural areas was 33.4 percent compared with 25.8 percent for central cities and 23.7 percent for all urban areas. While the nonfarm rural rate was higher than the farm rate, 39.3 percent of the nonfarm rural dropouts completed at least 10 grades of school, in contrast with 29.8 percent for the farm dropouts. Almost half of the urban dropouts completed 10 grades. The rate of college attendance is significantly lower for rural than urban areas.

These dropout rates and school-retardation figures indicate that although most of the elementary and secondary school-aged persons in rural areas are attending school, many of them are making slow progress and will have a lower educational attainment than their urban counterparts.

Expenditures and Financial Support

Information on the support of schools for rural areas is not readily available. Statistics collected on a State basis, however, show some association of rurality with school conditions. Table 3 ranks States by the percentage of their population which is rural. It shows that educational expenditures per pupil tend generally to be lower in States where larger percentages of the population are rural. Expenditures as a percentage of income are, on the other hand, generally similar among the States regardless of degree of rurality. Thus, it appears that in highly rural States, at least average efforts are being made to provide education. The low expenditures in rural States appear to stem more from low personal income than from lack of effort.

As might be expected, there is a pronounced tendency for transportation costs to make up a larger percentage of educational costs the more rural the population of a State. There is also a tendency for teachers' salaries to be lower in the more rural States, reflecting one of the main ways in which expenses are kept down in areas faced with lower available revenues and the high costs of providing education due to sparse population (table 3).

The sources of financial support for elementary and secondary education in the United States also vary widely.[7] More than 70 percent of the general revenue of independent school districts in Illinois and Nebraska came from taxes in 1962; less than 10 percent came from this source in New Mexico and Alabama. Intergovernmental revenue--primarily State and Federal aid--accounted for less than 25 percent of the general revenue in Illinois and Nebraska, and more than 70 percent in New Mexico and Alabama. More than 90 percent of the intergovernmental revenue of independent school districts in the United States comes from the State governments. The property tax provides nearly all--more than 98 percent--of total tax revenues.

Some States provide aid on the basis of the community's ability to pay. Some provide a "sparsity payment" to schools in sparsely populated areas which have high per pupil costs. Most States have county intermediate units, which coordinate and supplement the services provided by individual school districts. They have a particularly important function in low-income or sparsely populated areas. There are few county intermediate units in the Southeast because most of these States have county school districts. The New England States have a supervisory unit at the intermediate level.

School Reorganization

Although school consolidation has been a central part of the educational program in many States, decreasing the number of school districts in the United States by 50 percent between 1951-52 and 1961-62, 45 percent of all school districts in 1960 employed up to 9 teachers. In 1961-62, there were an estimated 13,000 one-teacher schools, nearly all of them rural. This figure represented about 12 percent of all U.S. schools and about 1 percent of all school children. In 1961, one-teacher schools represented more than 46 percent of all elementary schools in the Plains and 27 percent in the Rocky Mountain

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[7] Finances of School Districts (40, p. 12). Only 33 States are listed in the tabulations because the other States contain a significant number of "dependent" school systems. For further details, see p. 15 of this reference.

Table 3.--Selected characteristics of education by degree of rurality of States, United States

State	Percentage of total population rural, 1960 1/	Current educational expenditures			
		Per pupil, in average daily attendance, 1964 2/	As percentage of total personal income, 1963-64 3/	Percentage of total for transportation, 1961-62 3/	Average salary of classroom teachers, 1964-65 4/
	Percent	Dollars	Percent	Percent	Dollars
North Dakota	64.8	424	4.2	9.0	4,800
Mississippi	62.3	273	4.1	8.2	4,103
West Virginia	61.8	327	3.8	5.7	4,590
Vermont	61.5	522	4.0	5.8	5,362
South Dakota	60.7	444	4.5	4.7	4,475
North Carolina	60.5	322	3.9	3.4	5,022
South Carolina	58.8	284	4.0	5.6	4,500
Arkansas	57.2	317	4.1	7.1	4,200
Kentucky	55.5	324	3.3	6.1	4,700
Idaho	52.5	341	3.9	7.1	5,100
Montana	49.8	570	4.7	7.3	5,600
Maine	48.7	371	3.6	6.8	5,200
Tennessee	47.7	300	3.6	5.5	4,850
Iowa	47.0	464	4.2	5.6	5,747
Nebraska	45.7	407	3.4	3.3	4,893
Alabama	45.2	277	3.9	4.5	4,700
Georgia	44.7	330	3.7	6.3	5,050
Virginia	44.4	380	3.5	4.5	5,450
Wyoming	43.2	554	5.3	6.2	5,975
New Hampshire	41.7	440	3.3	5.9	5,435
Kansas	39.0	487	4.1	4.5	5,587
Minnesota	37.8	534	4.4	6.1	6,463
Oregon	37.8	569	4.7	4.5	6,420
Indiana	37.6	490	3.9	5.5	6,530
Oklahoma	37.1	366	3.9	4.7	5,160
Wisconsin	36.2	543	3.7	5.8	6,125
Louisiana	36.1	418	4.7	6.9	5,175
Delaware	34.4	539	3.3	4.1	6,800
New Mexico	34.1	475	5.5	5.8	6,200
Missouri	33.4	449	3.1	5.3	5,660
Washington	31.9	534	4.5	4.2	6,400
Nevada	29.6	543	3.4	3.0	6,530
Pennsylvania	28.4	479	3.4	3.9	6,150
Maryland	27.3	508	3.3	4.2	6,727
Ohio	26.6	465	3.6	3.8	6,025
Michigan	26.6	510	4.0	3.8	6,700
Colorado	26.3	470	4.1	3.5	6,025
Florida	26.1	412	3.5	2.7	6,140
Arizona	25.5	478	4.5	2.4	6,700
Utah	25.1	407	5.0	2.7	5,945
Texas	25.0	396	3.9	2.7	5,463
Connecticut	21.7	600	3.4	3.6	6,975
Illinois	19.3	551	3.1	3.5	6,809
Massachusetts	16.4	528	3.0	3.2	6,950
New York	14.6	790	3.9	3.3	7,800
California	13.6	565	3.8	2.2	7,900
Rhode Island	13.6	514	3.2	3.2	6,251
New Jersey	11.4	607	3.5	3.0	6,698
United States	30.1	484	3.7	3.9	6,220

1/ 1960 Census of Population.
2/ U.S. Bureau of the Census, Statistical Abstract of the United States, 1965.
3/ National Education Association, Rankings of the States, 1965.
4/ U.S. Office of Education, Digest of Educational Statistics, 1965.

Regions. Only 24 percent of the districts in the Plains and Rocky Mountain Regions operate both elementary and secondary schools. These figures indicate the need for further school district consolidation in rural areas, particularly since population movements will make consolidation a continuing problem. Consolidation is only one part of reorganization, which includes curriculum changes, rearranging the grade organization, introducing special education, and establishing intermediate units.

Not much is revealed in State data on subjects offered, instructional aids, supplementary services, or special education for rural areas. The National Education Association has provided some information in a survey "Small High Schools, 1960-61 (27)." Most of these schools are rural.

The small high schools of the survey had an enrollment of fewer than 300 pupils. In 1958-59, small high schools represented about 57 percent of all high schools and accommodated 13 percent of all high school students. Approximately 71 percent of the small high schools were in communities of fewer than 2,500 people.

About 5 percent of the small high schools had school aides; 24.7 percent had no librarian, and 59.4 percent had only a part-time librarian. Only 44 percent had a full-time secretary. Almost 99 percent of the classroom teachers had a bachelor's degree. The salaries of principals and teachers, however, were below the national average. Courses offered by more than three-fourths of the schools included English, history, mathematics through plane geometry, all sciences, home economics, typing, bookkeeping, and shorthand. Health examinations, audio-visual material, guidance counseling, and music instruction were available in half the schools. Almost all schools had libraries and slightly more than half had science laboratories.

Even if all desirable school consolidation were completed, schools in rural areas would tend to be smaller than average because of low numbers of children within the maximum area to which school bus service can be extended in terms of driving time. The small high school in the survey cited above was defined as one with fewer than 300 students. A school district would need a minimum of 1,000 school-aged children to support a 4-year high school with 300 students. This would require a community of more than 3,500 people since there is about one pupil per family in the United States, and the average-sized family is about 3.65 persons. The size of community required would be somewhat smaller in many rural areas which typically have large families; but it is clear that many of them would not have enough students to support a high school with a 300-student enrollment.

Per pupil costs of providing an adequate educational program in small schools are particularly high; pupil transportation costs or building expenses are not the only reasons for the high costs. An adequate educational program in isolated areas may require extra services, such as television, tape recorders, correspondence courses, and traveling doctors, teachers, and speech therapists.

The most efficient means of providing adequate educational services will clearly vary with the nature of the problem. Although providing education of a given quality tends to be costly per pupil in sparsely populated areas, small schools have some advantages, such as flexibility and closeness between students and teachers. These advantages can be lost unless specially planned for. Several pilot projects have been initiated to develop new and effective programs for small schools. In general, emphasis is being placed on a maximum of self-instruction, using tape recorders, television, correspondence courses, and slide and movie projectors. The teacher is no longer solely a lecturer, but supervises the students' progress and coordinates the learning program. Teachers visit other schools (sharing teachers) and students may attend classes in other schools. Curriculum reorganization has a great potential as a means of most efficiently providing an adequate education in small schools.

Special Problem Areas

The discussion of education to this point has concentrated on problems common to all rural areas. To obtain a more complete understanding of rural education conditions, three types of rural areas should be distinguished. For each type, there are unique characteristics.

The first type of rural area is one in which sparse population and the associated problem of small schools are the dominant factors. This situation is characteristic of the Plains, Southwest, Rocky Mountain, and Far West Regions. The high expenditures per pupil in table 3 for some of the

Plains and Rocky Mountain States partly reflect the high costs encountered when extremes of sparsity occur.

The second type of rural area is primarily characterized by low income. Other sections of this report indicate the high incidence of low income and poverty in rural areas. From the point of view of education, this problem is compounded by high dependency ratios. In 1960, personal income per school-aged child was lower than the national average in the Plains, Southeast, Southwest, and Rocky Mountain Regions. In contrast to the sparsely populated rural areas, where educational facilities and services are more expensive due to the distances involved and the small size of schools, low-income areas cannot provide a comprehensive education without spending a particularly large proportion of their income. These areas have many other uses for their limited resources. At the same time, low-income areas have greater than average needs for continuing education, retraining, and industrial arts to provide training for children and for adults who may wish to change jobs. Low-income areas tend to have a high proportion of disadvantaged youth who need special attention and require special services. There are, as we have seen, some areas such as the Rocky Mountains, Plains, and the Southwest which have problems of both low income and sparsity of population.

The third type of rural area is located in a State dominated by a large urban metropolis, such States as New York or Illinois. These rural areas may have trouble competing with the expanding suburbs for teachers, for State and Federal funds, and for the attention of State leaders. Some of these areas may be poor and may find it difficult to make local financial contributions to education, thus partly offsetting the benefits of State aid.

New Assistance

All three of these types of rural areas, and others, may be greatly assisted by recent Federal legislation for education. The Elementary and Secondary Education Act of 1965 offers significant help for rural areas, particularly low-income areas, to expand their educational facilities. The Act provides aid for educating deprived children, for libraries, supplemental educational centers, research and training, and strengthening State Departments of Education.

Aid for deprived children is the largest program under the new legislation. Formerly, States had determined the distribution of funds within their own boundaries. However, the new program specifies a formula for distributing funds applicable to all States. The allocation to the district is determined by the State's current expenditure per school child and the number of school-aged children in the district who come from families with incomes under $2,000 a year, or from families receiving over $2,000 a year from "Aid to Families with Dependent Children." The higher the State's average expenditure per school child, the more money it will receive per school child who comes from a low-income family.

To receive the money allotted under the law, a school district must submit a plan to the State for improving the education of deprived children in the district. The State may accept or reject the local plan. Needs will vary from district to district, and local plans will differ accordingly. Construction of new facilities is generally deemphasized under this program, with primary stress being placed on assistance for teachers, counseling, instructional materials, curricula, and special programs. Local districts which will be encouraged to initiate new programs for educating deprived children have an important role in the program. One drawback, however, is that low-income districts cannot pool their resources easily, which may lead to duplication and inefficiency in small districts.

Funds for expanding libraries and instructional materials are allocated among the States according to the enrollment in public and private elementary and secondary schools. Distribution of these funds to local districts is left to the States.

The supplementary educational-centers program is designed to encourage experimentation and the application of educational research findings. Local districts apply directly to the U.S. Office of Education for funds after review and recommendation by the State.

Training Opportunities

The rural areas of the United States have urgent need of vocational training because of reduced demand for farmworkers, the trend toward increased nonfarm employment, and because of the generally low level of educational preparation in rural areas for employment in nonfarm rural and urban locations. In the past, virtually all rural vocational training was in the field of agriculture and home economics, stimulated by programs provided under the Smith-Hughes and George Barden Acts of 1917 and 1946, respectively. This was a natural orientation when these laws were passed, but the employment situation in rural areas has changed drastically. Many rural people, both youth and adults, must now be trained in techniques and skills outside agriculture to meet their employment needs. This will remain true for some years ahead if population and employment patterns continue as at present.

Recognizing the current emphasis on the need for nonfarm job skills, a number of programs have been initiated in the last few years to provide vocational education and training on a broad scale. Enabling legislation for some of these programs includes the Manpower Development and Training Act of 1962, the Vocational Education Act of 1963, and the Economic Opportunity Act of 1964. Large sums of money have been appropriated and many people and communities reached, both rural and urban, but the relative share of these benefits accorded to the rural population ranges between a fourth and a fifth of the total in terms of funds committed and numbers of people reached. The programs are diversified; some are intended to especially benefit low-income families and depressed areas. Since a high proportion of rural people and communities fall in these categories, and since the educational base in rural areas is generally poor, it would seem that greater efforts need to be made to allocate more of these new educational and training resources to improve rural capabilities in the modern employment market.

The Vocational Education Act of 1963 provides Federal grants to States on a matching basis for vocational education for high school students, including dropouts and graduates, and adults who require retraining to hold or upgrade their present jobs. People with special educational handicaps are also eligible. The agricultural courses now include related occupations in processing, distribution, and service activities, as well as nonfarm industries. Of special interest in this program are the 125 area vocational-technical schools built during 1965 in 41 States at a cost of $55 million. More than a half million adult rural people were reached by vocational courses under this Act in the fiscal year 1965; they represented one-fourth to one-fifth of all adults in the program (49, p. 136). Research, experimental and demonstration projects, and increased teacher training are some of the important programs authorized in the Vocational Education Act.

The Manpower Development and Training Act (MDTA) of 1962, which is a federally supported program of vocational training and supplementary services for unemployed and underemployed workers, offers training and retraining in both farm and nonfarm skills, with subsistence and transportation allowances for those needing such assistance while in training. This provision, for example, could enable a farm youth to attend an area vocational-technical school mentioned above in connection with the Vocational Education Act.

By the end of 1965, MDTA training had been authorized for about 100,000 farm and nonfarm workers in rural areas, about one-fourth of the total number of training approvals. Most of the rural trainees were male, about 1 in every 8 was over 45 years old, and more than one-third were under 22 years of age. Many were trained in advanced agricultural skills as the most feasible preparation for jobs because of their particular farm backgrounds, ethnic or language group status, and other factors. About one-fourth of the trainees were small farm operators learning to improve the operation of their own farms. About one-fifth who were enrolled in agricultural courses were trained for essentially urban or nonfarm jobs such as nursery attendants, park caretakers, and gardeners. With demand in these occupations rising, people with farm backgrounds are helped by means of this training to make a transition gradually to off-farm work (49, p. 137).

Several programs in the field of vocational training are provided under the Economic Opportunity Act of 1964, administered by the Office of Economic Opportunity and various other Federal agencies. The Neighborhood Youth Corps program is a form of training in terms of paid work experience, and includes rural youth 16 to 21 years of age. In 1965, of 1,400 NYC projects in operation, more than a third were rural; of 500,000 enrollees, a fourth were rural youth. The Job Corps offers a work-study program, training and counseling in residential schools, using rural conservation camps as transitional locations prior to intensive vocational training - a necessary adjustment procedure for many rural youths.

Also included in the antipoverty programs under the Economic Opportunity Act which have training provisions is the Adult Basic Education program (Title IIB) for people aged 18 and over. This program is designed to remedy deficiencies in basic subjects, such as arithmetic, and to teach people to read and write, to qualify for better jobs or for occupational training courses.

The Community Action Programs under Title IIA include assistance in finding jobs, in training, counseling, vocational rehabilitation, and remedial education, emphasizing the use of multicounty organizations in rural areas. Agencies which coordinate the programs must include representatives of farmers, farmworkers, and other rural people. Title III provides financial assistance for migrant and other seasonally employed agricultural employees and their families. Programs for the unusual needs of this group of workers are intended to provide and improve housing, sanitation, education, and child care. They include: accelerated school programs to shorten the school year for children of migrants; adult education including literacy training and other basic education; enrichment of school programs for youth; remedial summer school work for youth; vocational training for adults; and day-care centers for preschool children. By the end of December 1965, an estimated 150,000 workers and their dependents had been served in 27 States (49, pp. 140-143).

Title V is directed to low-income workers, including part-time and seasonal farmworkers, who are receiving public assistance. The aim of Title V, as stated in the legislation, is "to expand the opportunities for constructive work experience and other needed training available to persons who are unable to support themselves or their families." In carrying out this purpose, the Director shall make maximum use of the programs available under the Manpower Development and Training Act of 1962, as amended.

Department of Agriculture agencies cooperating in the Rural Areas Development program promote better work opportunities and improved living conditions for rural people by working to see that rural Americans have equal access to the services of all Federal agencies. The principal agencies, operating through Technical Action Panels at the local level, are the Farmers Home Administration, the Soil Conservation Service, the Forest Service, the Agricultural Stabilization and Conservation Service, and the Extension Service. The coordinating agency for these various programs is the Rural Community Development Service, also an agency of the Department of Agriculture.

HEALTH

As is true for education, low incomes and high costs due to population sparsity limit the amount and quality of health care received by people in rural areas. But there are several additional complications associated with health care. While both health and educational facilities can be provided by community decision, with aid from higher governmental units, health is unlike education in that current services are paid for by the family rather than by a local governing body. As a result, fewness of people per square mile and low incomes are translated directly into unprofitability of practice. In extreme cases, there are not enough customers to attract even one general practitioner. More usually, the result is felt in the poor quality of services provided and the lack of availability of specialists.

Three main kinds of health services may be distinguished: (1) Treatment for common illness where emergency is not a factor, such as the common cold or dental visits; (2) treatment for uncommon illness where special services and equipment are needed; and (3) emergency treatment as for heart attacks and accidents. The extent to which rural people obtain these services is reflected in different ways in the information on incidence, health facilities, visits, and payments for medical services which will be considered in this section.

Death, Disease, and Disability

With the introduction of basic sanitation and minimal health practices, differences in birth and death rates have tended to be equalized. While accident-death rates are higher in rural areas, urban-rural differences are more pronounced in the health of the two groups of people.

Thus, for the United States, there were 15.8 fetal deaths per 1,000 live births in 1963. The fetal death ratio was almost the same for urban and rural areas. In the same year, there were 2.6 million urban births compared with 1.5 million rural births. During the year, 65,200 urban children under 1 year of age died, compared with 38,200 rural deaths in this group. Dividing deaths by the number of children born indicates that the death rate of children under 1 year is about 25 per 1,000 in both urban and rural areas.

Although there were only about 60 percent as many rural as urban infants, there were more deaths of children under 1 year in rural than urban areas due to whooping cough, dysentery, and tetanus, and almost equal absolute numbers of deaths due to meningococcal infections and other infectious and parasitic diseases. None of the foregoing diseases, however, accounted for more than 1 percent of infant deaths.

Figures on causes of adult deaths between urban and rural areas cannot be interpreted meaningfully without putting them on an age-specific basis, because the age structure of the urban and rural populations differs markedly. Nonetheless, it is apparent that accident-death rates are significantly higher in rural areas. Accidents accounted for almost 5 percent of urban deaths and 7 percent of rural deaths in 1963.

Differences in the health of people living in rural and urban areas are reflected in the number of days lost from work. Farmworkers lost more than 7 1/2 days per year, on the average, in 1962, as compared with less than 6 days for all occupations. About 1 in 10 persons in all occupations had chronic health conditions that limited their activity, but more than 2 in 10 farmworkers had such conditions. Fully 76 percent of persons in all occupations were covered by hospital insurance; only 42 percent of farmworkers were covered. Despite the need for care, indicated by the figures on days lost and chronic health conditions, farmworkers paid less for medical care, averaging only $84 per year for health expenses while the average for all occupations was $142.

Facilities and Professional Personnel

The more rural that counties are, the fewer are the availabilities per 1,000 population of most kinds of persons with medical competency, including dentists, nurses, pharmacists, physicians, sanitarians, sanitary engineers, and veterinarians. This is shown in table 4, where counties have been grouped according to degree of rurality.

Active nurses and physicians usually provide services when people are sick. Often there is no choice--a doctor or nurse is needed--it cannot be put off. The most isolated rural area has less than half as many active nurses per 100,000 population as the three most urban areas (table 4). For physicians, the most urban area has more than three times as many physicians per 100,000 population as the most rural. When compared with the United States as a whole, isolated rural areas contain less than half as many active nurses and physicians per 100,000 population.

Dentists provide services which, in many cases, can be put off. The number of these professionals in an area reflects the demand for services. Income levels and attitudes are very important in this demand. The most rural areas had 27 dentists per 100,000 population compared with 54 for the United States and 71 for the most urban areas in 1962. The levels of effective buying income per capita for the most rural, the United States, and the most urban were $1,207, $2,059, and $2,526, respectively. The income varies in roughly the same proportion as the dentist ratio.

With one exception, the number of general hospital beds per 1,000 population declines as the area becomes more rural. The exception is in the isolated semirural areas which had a slightly larger number of beds per capita than even the most urban area.

The urban-rural differences are even more pronounced when individual State comparisons are made. For example, the most rural areas in Alabama had 15 dentists and 43 physicians per 100,000 population, while for the most rural areas in New York, the comparable figures were 33 dentists and 79 physicians.

An outstanding characteristic in the urban-rural picture is the almost equal number of general practitioners per 100,000 people, regardless of degree of rurality. The most urban and most rural areas each had 38 general practitioners per 100,000 population. The national average was 35. But for other physicians, including private specialists and hospital staff, the most urban exceeded the most rural by at least 13 times.

Table 4.--Ratio of persons in health occupations and other data to population, by county group, 1962[1]

Item	Greater metropolitan	Lesser metropolitan	Adjacent to metropolitan	Isolated semirural	Isolated rural	U.S.
Health personnel per 100,000 population:	Number					
Dentist	71.0	52.0	38.7	40.6	27.4	54.1
Nurse, total	492.7	509.3	388.3	350.6	195.7	449.8
Active	327.5	339.6	254.2	242.8	125.9	300.0
Pharmacist	81.2	65.2	51.3	56.0	45.3	66.7
Physician, total	205.3	153.0	91.5	100.4	59.1	150.8
M.D	195.4	145.3	85.6	94.2	53.0	142.9
D.O	9.9	7.7	5.9	6.2	6.1	7.9
Sanitarian	4.6	6.9	5.8	6.3	3.9	5.7
Sanitary engineer	4.1	3.5	1.5	1.5	.3	3.0
Veterinarian	7.5	10.6	17.3	16.5	15.6	11.6
General hospital beds per 1,000 population	4.0	3.9	3.2	4.1	2.0	3.8
	Dollars					
Effective buying income per capita	2,526	2,070	1,654	1,551	1,207	2,059

[1] Counties within standard metropolitan statistical areas (SMSA), as defined by the Bureau of the Budget, are here classified as greater metropolitan (if they are part of a SMSA of 1 million or more population) or lesser metropolitan (SMSA population of 50,000 to 1 million). Adjacent counties are counties that are not themselves metropolitan but are contiguous to metropolitan counties. All other counties are classified as isolated; semirural counties contain an incorporated place of 2,500 or more population; and rural counties do not.

Source: Health Manpower Source Book, Sect. 19, "Location of Manpower in Eight Health Occupations," by Maryland Y. Pennell and Kathryn I. Baker, (table D), U.S. Dept. of Health, Education, and Welfare, Public Health Service, 1965.

Doctor and Dentist Visits

Visits by physicians per year give an indication of the level of their use by people in urban and rural areas. In 1963-64, for example, the number of physicians' visits per year per person for the United States was 4.5. Inside metropolitan areas, the figure was nearly 5; outside metropolitan areas, it was about 4 for nonfarm residents and approximately 3 for farm residents. People with lower levels of income would be expected to visit the physician less. They do. However, the figures vary little--ranging from about 4 for the family income group under $2,000, to almost 5 for the $7,000-and-over group. With these two observations, it becomes apparent that factors other than income reduce physicians' visits of farm residents.

The use that families make of dental services frequently reflects a choice, rather than a necessity. Families with higher incomes can afford to choose this service

and do. When family income was under $2,000, there were about 17 visits to the dentist per 1 million people, compared with almost 152 visits for those with a family income over $7,000. The difference between farm residence outside metropolitan areas and metropolitan residence is even more striking--11 visits for farm residence compared with 216 for metropolitan. More important is the service received for youth between 5 and 14 years of age. Metropolitan residents of this age visited the dentist twice a year as compared with one visit for farm residents outside metropolitan areas.

Family Medical Expenses

The level of expenditures for medical care has been estimated by the Department of Agriculture and the Bureau of Labor Statistics of the Department of Labor for rural and urban areas for 1961. People living in urban areas spent more for medical care than those in rural areas. The expenditures for hospitalized illnesses were higher for farm than urban families. Urban and nonfarm rural families obtained more free care than farm families.

The family income group of $1,000-$1,999 received the most free care, $42, while the $6,000-$7,499 group was second with $39; the $10,000-$14,999 was third with $38; and the $5,000-$5,999 group, fourth with $34. The average free care cost estimate for the entire sample was $34. Of the five $1,000-increment family-income groups from $0 to $5,000, only one exceeded this national average (32).

In general, as the income level of families rose, the amount of money spent for medical care increased, from an average of $126 for the under $1,000 income group to $884 for families with incomes of $15,000 and over, or 7 times as much. Even taking into account larger family size at high-income levels, it was found that the difference in expenditure for medical care was three times greater over the income range.

Between 1953 and 1958, the total charges for health services and goods increased for both urban and rural residents. The most startling difference between them was in the charges per family for dental services. In 1953, the charge in the most urban area was $51 per family, as compared with $19 for farm residents. These figures changed to $66 and $23 respectively, in 1958.

Despite the rapid acceptance of health insurance programs, the proportion of the farm population covered by health insurance is substantially below that of both the urban and nonfarm rural. Only about 4 out of 10 farm persons, but more than 7 out of 10 urban persons, were covered by hospitalization insurance in 1959. Also, proportionately fewer health facilities were available to rural residents than to persons in or near metropolitan areas.

For the United States as a whole, 68 percent of patients' hospital bills were paid partly or entirely by insurance in 1960. The percentage for urban was over 69, for nonfarm rural 69, and for farm residents about 55. Further, as family income increased, the percentage of hospital bills paid either partly or entirely by insurance also increased; it was about 40 percent for the lowest income group and 81 percent for the highest.

Public Health Programs

With the passage of the Hospital Survey and Construction Act in 1946 (Title VI of the Public Health Service Act), better known as the Hill-Burton program, rural medical facilities of many kinds have been greatly augmented. This legislation provided Federal grants-in-aid to States to take inventory of their need for new hospitals and other health centers, and to develop State plans for the construction of such facilities, using a single State agency to carry out the program and embracing advisory councils at State and Federal levels. States were to match Federal funds in various ratios depending upon the nature of the program to be undertaken.

Additional uses of Federal funds have been provided in subsequent amendments to Title VI of the Public Health Service (Hill-Burton) Act which have made possible the financing of such health services as care and treatment of chronic illnesses, diagnostic and treatment centers, nursing homes, and chronic-disease wings of general hospitals. This program has stimulated a great deal of interest and activity in building small hospitals, local public health centers and clinics in rural areas, and providing better equipment and more adequate staff to serve the health needs of rural people.

More than half of the new general hospitals assisted with Hill-Burton funds have been in communities of less than 5,000 population. Assistance has also been made available for specialists from large hospitals to render part-time services to local public health centers under the Hill-Burton Act. These additional facilities and services have meant that more babies in rural areas can be born in hospitals, that emergency care is closer to those who need it, that diagnostic and preventive treatment can be properly located if not close by, and that nursing homes and other health institutions are better regulated and staffed for the protection of the clients.

The Community Health Services and Facilities Act of 1961 expanded out-patient health services, particularly for the chronically ill and aged. Emphasis here is on rehabilitation, restoration, and self-care. The Act also increased from $10 to $20 million the annual appropriation authorized for Federal grants to States for the construction of public and other nonprofit nursing homes under the Hill-Burton program. With an increasing number of older people living longer, with the rapid expansion of public and private health and hospital insurance plans, and the implementation of the nationwide Medicare program, the enlarged and improved health facilities and services in rural areas are greatly needed.

HOUSING

Housing of both urban and rural families has improved considerably in recent years as incomes have expanded and other conditions have made it increasingly possible for families to live in better housing. Yet in 1960, nearly 3 million housing units in the United States were reported as dilapidated. That is, 1 in every 20 residences was not considered a safe and adequate shelter, and in its current condition was considered to endanger the health, safety, or well-being of the occupants. An additional 8 million housing units were classified as deteriorating, meaning 1 in every 12 homes was in need of more repairs than would normally be provided in regular maintenance. In total, therefore, more than 10 million housing units, or 1 in every 6, were either dilapidated or in a stage of deterioration requiring major repairs, if not replacement.

The seriousness of the housing problem is further reflected in the lack of facilities within the home. For example, of the approximately 47 million housing units classified as being structurally sound in 1960, more than 4 million lacked hot water or other plumbing. Thus, when both the condition of the structure and the availability of complete plumbing within the home are considered, about 1 in every 4 housing units was in need of major improvements. Further housing problems would be indicated if central heating, sewage disposal, space characteristics per capita, and a more thorough evaluation of structural qualities and conditions were considered.

Rural Housing Situation

Housing in rural areas is generally less adequate than in urban areas. In 1960, 4 in every 5 urban homes were in sound condition and contained complete plumbing. Little more than 1 in every 2 houses in rural areas met these criteria. In fact, about 44 percent of all housing units that lacked structural soundness or complete plumbing were in rural areas, even though these areas contained only 30 percent of all housing units.

The general quality of housing in the Nation's rural areas in 1960 may be summarized as follows: (1) About 1 1/2 million rural families were living in houses that were in such dilapidated conditions that they endangered the health, safety, and well-being of the occupants; (2) another 3 1/2 million rural families occupied homes that were deteriorating and in need of major repairs; (3) 1 out of 3 homes in rural areas did not have complete baths; (4) 1 out of 5 did not have running water; and (5) 3 out of 5 were without central heat.

Within the rural areas, farm housing was slightly worse than nonfarm housing. While farmhouses were frequently larger, many of them were older buildings.

Regional Differences

Considerable variation exists in the quality of housing throughout the Nation. In 1960, considerably less than half the rural housing units in the South were structurally sound, containing complete plumbing. And half of all occupied rural housing units in the Nation were located in the southern States.

More detailed analysis within regions and subregions would pinpoint those areas where improvements in housing are most needed. Consideration needs to be given to regional differences in requirements for minimum acceptable housing. Because of differences in climate, for example, heat might be regarded as an essential element of good housing in one area of the country and somewhat less relevant in other areas. This might apply to the reduced need for central heating and increased desire for air-conditioning in the more southern parts of the country; to the urgency for central sewage disposal systems in the more open, less populated areas; and to spatial requirements in areas where family living is less confined within the home because of more favorable weather.

Special Groups

In both rural and urban areas, the elderly more frequently live in inferior housing than do younger families. Among older rural families, in 1960, nearly 50 percent lived in homes needing repairs or improvements. In contrast, 38 percent of the younger families lived in homes that were deteriorated or lacked plumbing.

Among nonwhite households, 31 percent of the occupied rural housing units were classified as dilapidated compared with only about 6 percent among the remainder of all rural residents. An additional 44 percent of all rural nonwhite housing units did not have running water, contrasted with only 11 percent among all other occupied units. While relatively few rural housing units (less than 1 in 8) were occupied by families with nonwhite household heads, a disproportionate number of dilapidated housing units in rural areas (about 1/3 of the total) was occupied by nonwhite families.

Only 11 percent of the rural housing occupied by nonwhite families was both structurally sound and contained complete plumbing. This indicates that at least 8 in every 9 rural housing units occupied by nonwhite families require considerable investment in structural improvement or plumbing.

Indications are that the 400,000 migrant farmworkers are the most poorly housed of our rural population. Migrant workers present a special problem arising out of the need for multiple facilities as workers follow the crops. This results in extended periods of vacancy, increasing the cost of providing desirable housing. The relatively low wages and uncertainty of employment further aggravate this problem among migrant workers.

About 9 out of 10 Indian families do not have a home of their own or live in homes that need either major repairs and improvements or replacement.

Changing Housing Conditions

While rural areas in general lag behind urban in adequacy of housing, the lag is less than it was a decade ago. For example, the percentage of crowded farm homes (more than 1 person per room) declined from 30 in 1940 to 14 in 1960. The percentage with electricity increased from 31 to almost 100 percent, piped water from 18 to 75 percent, and private baths and flush toilets from about 12 to 62 percent (16).

The improvements made are also reflected in the increased values of owner-occupied homes and the increased value of rent for renter-occupied nonfarm units. Median value of owner-occupied nonfarm housing increased from $7,400 to $11,900 between 1950 and 1960, and median monthly rental of nonfarm housing rose from $42 to $70. The increases of 61 and 67 percent during this period when general building costs rose about 35 percent reflect the increase in size of homes and the expanded provision of improved facilities.

As late as 1960, however, there were about 1 million occupied rural housing units that required extensive remodeling, or possibly replacement, if their occupants were to have sound housing. An additional 5 million occupied units required major repairs and improvements if they were to be restored to sound condition or provided with complete plumbing. More extensive analysis is required to determine other improvements needed to provide an acceptable level of housing for even the current population of rural America.

Inasmuch as the rural population is expected to grow in future years, particularly in the nonfarm sector, a thorough analysis of rural housing requirements should allow for additional units needed to accommodate a growing population. Even then, the total requirements for rural housing may be further expanded when allowances are made for population shifts within the rural sector. Examples might be the abandonment of some farm homes by families seeking housing in or near small towns, and the movement of nonfarm families within and between rural areas to locations offering greater employment opportunity, as well as more convenient access to improved facilities for education, transportation, and other amenities of life.

Influence of Income on Housing

Much of the recent improvement in housing in rural America is explained by income expansion. The continuing low level of income of many farm and nonfarm rural families, however, and the lack of opportunities to improve their income, persist as a dominant factor in the current inadequacies in housing. This is evidenced by the fact that housing deficiencies are increasingly noticeable among families at lower levels of income. As many as 40 percent of the rural families with incomes less than $2,000, in 1960, lived in housing that was dilapidated or lacked plumbing. The predominance of this kind of housing decreased quite rapidly as incomes increased, although some housing that was dilapidated or lacked plumbing existed even when income went above $10,000. Surveys of family expenditures show that as income rises, expenditures for housing increase, but the proportion of that income spent for housing declines (25).

Within each income group, families occupying rented units were more likely to have housing that was dilapidated than those who owned their homes in 1960. At all income levels, inadequacies of housing were considerably more frequent among farm families than among nonfarm families.

These findings indicate that income improvements offer a primary means of overcoming a great many existing inadequacies in rural housing. The suggested relationship between housing and income, however, does not fully explain the existence of poor housing. For families within any income level, for example, the provision of adequate housing depends on priorities placed on alternative uses of available income. These priorities depend in part on family size and age composition, on financial position of the family, and on attitudes, customs, and laws that prevail within the area.

Family expenditures for housing, as well as ease of obtaining credit for housing, also depend on general economic conditions within the area. In areas where demand for housing is limited, and there is little likelihood of recovering the cost of improvements if the need for selling the house arises, many owners of residential property may be inclined to divert the capital that might be invested in housing to other uses. Such a situation, also reflected in the ease with which lending agencies will extend credit for housing, will be most pronounced in areas of economic decline and net outmigration.

Variations in the costs of construction between rural and urban areas, and among the different regions of the country, also affect investments in housing.

Financing Rural Housing

Lack of financing is probably one of the major obstacles in the construction, purchase, and repair of rural homes. Two primary elements are necessary for a borrower to obtain housing credit. First, he must find a lender who is willing to make a loan based on his income, credit rating, equity, and other property involved; and second, the terms of the loan must be such that the borrower can repay it.

A study of rural housing financing in the Southeast in 1958-59 indicated that some of the major sources of credit available to urban residents are not available to rural residents. It was found that 57 percent of the mortgage funds invested in real property in the Southeast came from savings and loan associations, and that only 15 percent of the associations' loans were made in rural areas. Also, although insurance companies made 22 percent of the real estate loans in the Southeast, only 10 percent of their home loans were in rural areas. Commercial banks were the major lenders in the rural areas where about 50 percent of their loans were made, but banks made only 21 percent of all real estate loans in this area (54, p. 147).

In addition to the lack of primary sources of credit, it is evident that rural areas are further handicapped in housing construction because some of the major sources of construction funds are not open to them. Realtors and development builders are frequently instrumental in arranging financing for buyers of urban housing, but their activities are almost nonexistent in rural areas.

Inasmuch as commercial banks are the primary source of funds for rural housing, their lending policies often dictate the conditions under which a rural home is built. Higher bank costs of servicing mortgages in rural areas may be passed on to borrowers in the form of less favorable terms. Higher volume of loans in urban areas reduces the appraisal and other service time and permits efficiencies of specialization which are not possible in rural areas where bank officers may have to perform a number of different functions.

To a certain extent, the banks' lending policies are governed by the nature of their funds. Commercial banks are primarily holders of demand deposits. The inherent nature of these funds and the laws regulating banking operations compel commercial banks to maintain relatively large reserves and high liquidities in investments. As a result, the average length of amortization of home loans is a shorter period than in urban areas.

Although the length of a loan period may be a deterrent to a borrower in meeting a repayment schedule, the amount of money that a potential homeowner needs to meet downpayments and closing costs is a major determinant in his buying or building a home. Rural borrowers appear to be handicapped in the amount of downpayment needed to buy or build a home. The appraised value of urban loans approaches market value, whereas the appraised value of rural property is considerably below market value, and sometimes even below the cost of construction (54, pp. 69-73).

Sparsity of population makes for greater uncertainty about sale value of a home, particularly if the need should arise to sell it on short notice. The reason for this is that a house in place is a very specialized commodity with few buyers per unit of population. The thinness of the market is a risk factor to be taken into account in determining loans. Rural borrowers, especially farmers who have seasonal income, may be further handicapped in borrowing because of the type of repayment schedule they must use. Practically all conventional loans, both rural and urban, require monthly payments. Only the Production Credit Association, Federal Land Banks, and Farmers Home Administration have any sizable number of loans that are paid annually.

Some indication of the availability and need for credit is reflected in the number of rejections of loan applications. According to Yeager's study (54), in 1958-59, 29 percent of all applications for housing loans in the Southeast were rejected, more of them rural than urban. This percentage is probably not an indication of the exact proportion of needs because many potential borrowers may have been discouraged by the prevailing loan-rejection rate. Commercial lenders as a whole accepted a larger percentage of housing-loan applications than did governmental lenders. All lenders were asked to give their major reasons for rejecting loans. In order of their importance, these reasons were as follows: (1) Insufficient equity in property; (2) location and kind of property, whether farm, nonfarm, or urban; (3) repayment ability of applicants; (4) credit rating and character of applicant; and (5) length of loan period requested (54, pp. 67-72).

The need for rural housing credit was also indicated in studies in northwestern Missouri and eastern Colorado. When rural residents of these two areas were asked to list their most needed expenditures if they had funds available, 52 and 26 percent, respectively, listed housing as their principal need (54, pp. 38-40). It appeared, therefore, on the basis of these few credit studies, that the availability of financing in rural areas may be an important factor in determining the quality of housing.

Other Rural Differences

Because of the concentration of low-quality rural housing in the open country and among older rural residents, improvements in existing housing rather than construction of new homes would probably be preferred to a greater degree in rural areas than it would be in urban areas. Where new construction is contemplated for rural areas, there is less scope for group housing projects because there are fewer potential inhabitants per square mile. Certainly, sparse population precludes mass public housing of the kind found in large metropolitan areas. The thin housing market and the uncertainty of future population trends in rural areas are discouraging to small, group-housing endeavors, and even to building new single-family houses.

The abundance of labor supply in many parts of rural America is a factor tending to make the repair of existing houses less expensive than in urban areas. Many of the houses which are of low quality are occupied by persons who are underemployed and have periods of slack activity during the year. However, precise estimates are not available of the scope for home repair and self-help loans.

WELFARE PROGRAMS

Public and private efforts to assist low-income families and others in need have been considerably stimulated in the past 2 years by the Nation's war against poverty. Various Federal and State programs are designed to help low-income people, the sick and disabled, the elderly, and the youth in the Nation who need better opportunities to prepare for adulthood. The discussion here will include welfare programs, Social Security, and the newer antipoverty programs of the Office of Economic Opportunity.

In 1960, there were nearly 9 million families in poverty in the United States (below $3,000 annual income), representing about 35 million persons. Of these families, nearly half were rural, or about 17 million persons. A little more than 1 million families, or 5.5 million persons, were farm residents, and nearly 3 million families, 11.6 million persons, were nonfarm. In addition, there were 1.6 million rural individuals, mostly nonfarm, and 4.8 million urban individuals in poverty situations (under $1,500 annual income).

Welfare and Public Assistance Programs

Various kinds of programs to provide welfare services and monetary assistance to the needy are carried out under Federal or State auspices, or a combination of the two, by agencies long-established or by new agencies created for this special purpose. Social insurance programs are administered by the Social Security Administration of the U.S. Department of Health, Education, and Welfare. They are open to both rural and urban residents, who receive insurance payments based on length of time in the program and income earned while working. They provide protection against loss of income resulting from old age, prolonged disability, or death. The Old Age, Survivors and Disability Insurance is available to virtually all gainfully employed persons. It offers monthly retirement benefits to insured workers aged 65 and over, with supplemental benefits for wives, children under 18, and dependent husbands. Monthly disability benefits are also payable to insured workers with long illnesses, and to their dependents. A lump sum payment is made for all insured deaths.

Several programs embracing health and welfare services and other public assistance features are administered by Federal and State agencies or under the provisions of the Social Security Act and its amendments. Old Age Assistance is handled by the States with funds from both State and Federal Governments. The average payment in 1964 was $78.90 per person, 57 percent of the recipients being residents of nonmetropolitan counties. For the permanently and totally disabled, the average payment was $80.61. Aid to Families with Dependent Children provided an average family payment in 1964 of $140.96. About a third of the families receiving this type of aid lived in rural areas. These three programs account for about 97 percent of the total expenditures for public assistance programs funded jointly by Federal and State governments. General assistance programs financed with State or local funds help people who cannot qualify for the previously discussed public assistance programs.

Among the Social Security Amendments of 1965 were those which liberalized assistance to the aged (65 and over) by providing two related national health insurance programs: (1) A basic plan offering protection against the costs of hospital and related care, and (2) a voluntary supplementary plan covering payments for physicians' services and other medical and health services. These two plans are popularly known as Medicare.

Other important changes were in the public assistance titles of the Social Security Act which set forth the following features: (1) Establishment of a program to provide medical assistance for needy or medically needy aged, blind, or disabled persons and dependent children; (2) increased Federal sharing in assistance payments to the aged, the blind, the disabled, and dependent children; (3) removal of limitations of Federal participation in assistance payments with respect to aged persons in tuberculosis and mental disease hospitals under certain conditions; and (4) new or increased amounts of income received by assistance recipients that may be disregarded in determining need. Under the program for Maternal and Child Health and Welfare Services, there was included authorization of special project grants to provide comprehensive health care for children of low-income families. This portion of public assistance under Social Security also provides services for crippled children and vocational rehabilitation.

Under the direction of the Department of Agriculture, the Federal Government supports a direct food distribution and cash payment program to schools, institutions, and needy individuals, and a Food Stamp Program under which needy people may obtain food at reduced prices. As can be seen in tables 5 and 6, the higher income counties participate heavily in both programs, and the poorer counties participate widely in the Food Stamp Program. Some 650,000 persons are covered by the Food Stamp Program, and it is expected that it

Table 5.--Number and distribution of counties or parts of counties participating in the direct distribution food program and their decile rank among all U. S. counties for per capita and all family median income, 1959 1/

Decile rank	Counties by --			
	Per capita income		All family median income	
	Number	Percent	Number	Percent
1................	187	11.8	188	11.9
2................	187	11.8	201	12.7
3................	174	11.0	174	11.0
4................	184	11.7	177	11.2
5................	155	9.8	158	10.0
Highest half	887	56.1	898	56.8
6................	144	9.1	136	8.6
7................	143	9.1	128	8.1
8................	134	8.5	139	8.8
9................	138	8.7	130	8.2
10................	134	8.5	149	9.5
Lowest half	693	43.9	682	43.2
Total................	1,580	100.0	1,580	100.0

1/ **Where only part of a county (minor civil divisions) is included, the ranking of the entire county** is used for both per capita and all family median income. Indian reservations are not included.

Source: **Participation in the direct distribution food program based on reports of the Consumer** and Marketing Service of the U.S. Dept. of Agr. Income data are from the 1960 Census of Population.

Table 6.--Counties participating in the Food Stamp Program and their decile rank among all U.S. counties for per capita and all family median income, 1959

Decile rank	Number of counties	
	Per capita income	All family median income
1 Highest............	1/ 33	1/ 31
2	2/ 11	17
3	16	2/ 13
4	8	10
5	14	17
6	14	17
7	3/ 18	3/ 18
8	9	10
9	15	16
10 Lowest............	35	24
Total	173	173

1/ Includes the city of Denver, Colo., Waterbury District of New Haven County, Conn., and the District of Columbia. 2/ Includes the city of St. Louis, Mo. 3/ Includes Nome City, Teller and Brevig Missions within the Nome District, Alaska.

Source: Participation in the Food Stamp Program based on reports of the Consumer and Marketing Service of the U. S. Dept. of Agr. Income data are from the 1960 Census of Population.

will reach a million people by mid-1966. (13, pp. 6-7). The direct food distribution program serves rural as well as urban people. These two food programs are in addition to a Special Milk Program which makes it possible, through reimbursement payments, for educational institutions up through high school to provide milk to pupils at lower cost. (29, p. 102).

Antipoverty Programs

Apart from the Social Security and Department of Agriculture programs for needy people, there are a number of new assistance efforts under the Economic Opportunity Act of 1964. Some of these plans, in health and education and for the aged, are described elsewhere in this report. Welfare programs as such cannot be separated out from other possible categories, but all the programs are designed to ameliorate poverty. In this overall effort, many rural communities have received assistance. The Community Action Program (CAP), directed by the Office of Economic Opportunity, which embraces many different kinds of activities, is designed to help rural and urban communities mobilize their resources to combat poverty by involving the local people and groups to be served in the planning, policy-making, and operating the program. The long-range objective of the CAP is "to effect a permanent increase in the capacity of individuals, groups, and communities afflicted by poverty to deal effectively with their own problems so that they need no further assistance (29, p. 316)."

A variety of plans has been carried out in rural areas by CAP. As of February 1966, a total of 361 rural community action agencies in 807 counties received 746 grants totaling $28.7 million. About $8 million went into program development (349 grants) and $20.7 million for the conduct and administration of programs, representing 397 grants. In addition, CAP has made 102 Medicare Alert grants (telling people about Medicare and helping them to register for it), which totaled about $1 million as of the same date. Under other sections of the Economic Opportunity Act, CAP may make grants for training programs and may provide technical assistance for community action programs to State agencies. Through these plans, CAP grants have been made to 68 rural counties and other rural areas, including two statewide programs in Mississippi, for $9.5 million. Additional grants have been made to American Indians ($6 million), primarily for education and vocational training; to migrants ($26 million), mainly for health care and education; and to the 1965 Head Start summer program ($27.8 million for 165 grants) for preschool education and health services.

Through the Farmers Home Administration in the Department of Agriculture, $32.8 million of Economic Opportunity funds have been made available to January 1, 1966, for rural loans. Of this total, nearly $30 million was for 15,305 loans to individuals, averaging about $1,940 per loan, and $3.9 million to 2,380 cooperatives, for an average of $1,620 per loan.

The amount of total expenditures under the Economic Opportunity Act for rural grants and loans in the programs mentioned above, is $131.8 million to date. CAP grants for both rural and urban totaled $151 million as of January 1, 1966.

Youth Programs

One of the most vulnerable groups in a poverty situation, from a long-time view, is the youth. Starting life in a poor family, all too often an individual remains poor in adulthood. This is not because of any basic human defect, but because poor families tend to live in poor areas where schools are inadequate; health facilities are lacking; housing is unsound or overcrowded or both. The total situation means that the young person begins life with handicaps. Disadvantage in very early years has a telling effect on the progress a person can make later on, as has been observed, for example, in the study of school retardation. It was with an understanding of this fact that the Office of Economic Opportunity launched, in the summer of 1965, Project Head Start.

Head Start is a part of the Community Action Program and relies on local community initiative and talent to plan and organize educational and health programs for preschool children of low-income families. It is an effort to give underprivileged children an opportunity to be better equipped mentally and physically to begin their school lives. The Office of Economic Opportunity assists local communities in setting up Child Development Centers where local people can work with small groups of preschool-aged children to improve their health, their emotional and social development, their ability to think, reason, and speak clearly, and to generate self-confidence through varied group experiences. For the many who have taken advantage of this program, it is an opportunity never before open to them (30).

For older youth, there are the Job Corps, Neighborhood Youth Corps, and Youth Opportunity Centers. These programs have been aimed mainly at urban areas. In many ways, young people are the crucial group to break the poverty cycle. In rural areas, young people need assistance not only to break out of poverty situations, but also to prepare themselves for nonfarm jobs in trade, commerce, or industry because they will not be needed in agriculture. To help youth make adjustments of this kind, a battery of programs, from preschool education to work life, are being carried forward.

THE QUALITY OF LIFE

Levels of Living

The levels of living among rural people have improved in recent years and have become more similar to those of urban residents. As town and country have become increasingly interrelated, more accessible to each other, habits and attitudes, ways of doing and thinking have come closer together. With improved transportation and communication, widespread rural electrification, and almost universal availability of many amenities of life, the gap between the levels of living in urban and rural areas, by measurable standards at least, is narrowing rapidly. Recent studies reveal some of the similarities in consumption patterns of rural and urban families.

Analyses based on a nationwide Survey of Consumer Expenditures in 1960-61 have been released jointly by the U.S. Department of Agriculture and the Bureau of Labor Statistics (45). From data in the report it is possible to compare family expenditure patterns of farm, nonfarm, and urban residents. Each of these families had two full-time earners. Their average income (money income after taxes) ranged from $5,444 for the farm family to $7,578 for nonfarm, and $8,895 for the urban family. The farm family size was the largest of the three groups, 4.2, compared with 3.8 for nonfarm and 3.4 for urban. Both nonfarm and urban families were headed by persons 46 years of age; the average age of the farm family head was 54 years. The education of the head of the households went up from 9 years for the farm household head to 10 for the nonfarm to 11 for the urban.

It is apparent from table 7 that expenditure patterns among the three residence groups are quite similar. Food and housing represent a smaller part of the farm budget than nonfarm or urban, but transportation requires a higher expenditure on the part of farm families. They also spend slightly more for clothing and medical care, but less for recreation and education expenses.

Another measure of the level of living shows differences in the possession of certain amenities on the basis of income within the farm population in various geographic areas of the United States in 1959. An index was constructed out of the following combined, weighted factors: Average value of land and buildings per farm, average value of sales per farm, percentage of farms with telephones, home freezers, and automobiles. The 10 high-ranking counties were in the West; the leading county had an average value of land and buildings per farm of $205,000; average gross sales of more than $130,000; about 80 percent of the farms had telephones and automobiles; and 53 percent had home freezers. The county had almost 40 percent fewer farms and 35 percent bigger farms since 1950. Net income per farm was more than $40,000.

In contrast, the 10 low-ranking counties were in the South; the lowest ranking county had average value of land and buildings, $3,000; average gross sales, $200; only 10 percent of the farms had telephones and home freezers; and 12 percent had automobiles. There were 65 percent fewer farms than in 1950, but the average size of farm had remained approximately the same. Net income per farm was less than $100. Thus, the correlation is striking between level of income and possession of certain level-of-living items, according to the index used (44, p. 6).

Rural electrification enhances rural living and is frequently used as one measure of the level of living. It had grown slowly in rural areas over a half-century, but has advanced remarkably since 1935 when the Rural Electrification Administration was established. Only about 11 percent of the farms in the United States had electricity in 1935. It is estimated that 98 percent of the Nation's 3.4 million farms are now electrified. The use of electricity by residential consumers has also increased greatly. It has, in fact, more than doubled

Table 7.--Percentage of family expenditures for current consumption, with 2 full-time earners, by residence, 1961

Residence	Food	Housing	Clothing	Medical care	Transportation	Recreation, reading, and Education	Other	Total
	Percent							
Farm......	22.2	22.0	12.6	7.8	21.7	5.4	8.2	100.0
Nonfarm...	23.0	25.6	11.9	6.2	19.6	5.8	7.9	100.0
Urban.....	23.4	26.7	11.8	5.9	17.0	6.7	8.5	100.0

Sources: Consumer Expenditures and Income. Rural Farm Population (45, table 25C); Rural Nonfarm Population (50, 1964, table 24C; 1966, table 24C).

in the past 10 years among both farm and nonfarm people. Telephone service has also grown in rural areas in recent years. In 1950, only about 38 percent of the farms had telephones, but now an estimated 80 percent of the Nation's farms have this service.

Rural Social Institutions

As a result of the lessened disparity between rural and urban modes of life, there is a greater interchange of people, attitudes, and ideas between the two types of areas. Sometimes it is difficult to distinguish between truly rural and urban places as they merge from city to suburb to town and open country. The day is rapidly passing when the social institutions of a local hamlet satisfy the needs of the people living in the surrounding countryside. The village general store with its cracker barrel, the one-room country school, and the small rural church are finding themselves inadequate to satisfy their former clientele. Country people now use their automobiles to travel some distance to shop in larger stores with a greater variety of merchandise; their children travel by bus to consolidated schools where the curriculum is broader and their range of friendships wider; and whole families go to nearby towns to attend church because the small church they have left behind may be able to support only an itinerant or part-time pastor, with services twice a month, and necessarily restricted activities.

Many small rural churches today are finding that their congregations are made up of older people; the same people are holding church offices for 10 years or more because there are no new candidates; financial contributions have declined; and many have part-time ministers who live in other communities where they hold full-time jobs during the week. Small local social institutions of all kinds are gradually giving ground to those that can offer broader, more diversified services, and these are usually found in areas where more people can give them a broader base of support. This trend also makes the line between rural and urban less clear.

For many services and facilities which enhance the quality of life, the relative ease of transportation and communication makes it feasible and desirable to have joint participation of rural and urban people in town and city organizations and activities. And, although the gap between rural and urban access to many amenities is steadily growing smaller, there are facets of social and cultural life in which rural areas have not advanced as rapidly as cities have. Sometimes careful planning can integrate efforts to improve facilities in rural and urban places to their mutual benefit.

Library Service

An objective of this kind is illustrated by the program to upgrade rural library service and integrate it with already existing systems of libraries, benefiting both town and country people and bringing them closer together. The Federal Library Services Act of June 1956 provided $7.5 million for 5-year grants to States, on a matching basis, for the extension and improvement of public library services in rural areas. At the time the bill was passed, 27 million people had no local public libraries available; 90 percent were rural people. Another 53 million people, mostly rural, had inadequate public libraries (1).

Through this program, bookmobiles were used extensively on regularly scheduled routes, and many local communities were also assisted in getting discussion leaders, outside speakers, films, records, special exhibits, materials for homemakers' service, garden, and hobby clubs, and church societies. Books, magazines, newspapers, and pamphlets for all age groups were provided to the extent the funds allowed, and services and facilities of various kinds were stretched through a linking system of wider-than-local areas. By 1959, more than 900 counties were being served by bookmobiles and other public library services.

The Library Services Act of 1956 was extended in 1960 for an additional 5 years. By mid-1964, State appropriations for rural public library services had increased 180 percent, from $5.5 million to $15.4 million. In 1964, the Act was amended to include urban as well as rural areas (Title I), and to provide Federal assistance for the construction of public library buildings in areas lacking the facilities necessary for the development of library services (Title II). This new legislation authorized $25 million for fiscal 1964 for Title I and $20 million for Title II for that year.

With the impetus of this series of laws and flow of new funds, some 38 million rural people have received a measure of new or improved public library services in all 50 States. More than 370 bookmobiles have been placed in operation, and more than 12 million books and other informational materials purchased for use by rural readers. It is believed that by including urban libraries in State plans, the whole system of libraries can be more efficient and effective for both rural and urban users (47).

Recreation

Recreation is a field which holds promise for the enrichment of rural life, both to enhance the lives of the participants and to add a source of income from tourism. It can also provide a means of increasing interrelationships among rural and urban people under the most favorable circumstances. Recreational promotion can include all kinds of sports, ranch activities, music or folk festivals, drama, camping, or just "city people relaxing in the country." Many city people enjoy farm vacations, trips to national and State parks, and many other places of natural scenic beauty. Rural people, on either a part- or full-time basis, can offer such vacations to urban residents with relatively small capital investments and a great deal of careful planning. Additional income for both individual promoters of recreation sites, and for local communities where they are located, has already proved to be substantial in some parts of the country. In New England, in the Ozarks and Appalachians, and the Northern Lake States, regions which need nonfarm income, recreation is an important development resource.

In a study of 31 counties in the Missouri Ozarks, it was found that a substantial part of the volume of business in 1959 was contributed by the tourist trade. Businesses most heavily dependent on tourism were those furnishing food and lodgings. Owners of motels and hotels attributed about 95 percent of their 1959 business to tourists; restaurant proprietors said that nearly half their business was from this source. About 21 percent of the total retail and service business in the Ozarks was estimated to have come from tourists; the volume of this business amounted to $68 million in 1959.

To transact this volume of business, many local people were employed, especially in the smaller operations. More than half the operators were born in the area, and more than 70 percent grew up on farms. Of the retail and service firms, which employed about 17,000 workers, it was estimated that about 5,000 persons depended on the tourist trade for their jobs. This has meant new job openings for many local people, and most of the work does not demand special skills or a great deal of formal education. Evidence based on census data, traffic counts, and trend of tourist expenditures in the area from 1949 to 1960 indicates that both revenue from tourists and number of job opportunities will increase in the future as the result of recreation promotion (6).

Considerable research has been devoted to the possibilities of recreation as an income opportunity for rural people, but not enough to the importance of recreation in their own lives. With leisure time increasing through mechanization and greater productivity, with more older citizens in our population, and living longer after retirement, the availability of recreational outlets takes on great significance. Rural people still do not have as much access to cultural activities and social life as city people do. Concerts, art exhibits, sports matches, drama presentations are found in towns and cities but rarely in the country, except in a few places where summer stock theaters perform or where metropolitan orchestras retreat to the open spaces for summer performances. It is possible that some stimulus to cultural activities for rural people will be provided by the recently created National Foundation on the Arts and the Humanities.

Communications Media

Widespread radio and television coverages in rural areas have helped to reduce the physical and social isolation of rural people. About 98 percent of the rural population is now covered by radio; about 90 percent of the nonfarm rural households have television sets and about 80 percent of the farms. Hilly and isolated areas are now being reached with television programs by means of community antennae (CATV) which are fed by cable and financed commercially at low cost to the consumer.

Educational television is also making headway; there are now about 100 ETV stations in the United States. While most of these are in urban centers, a beginning has been made to stretch their services to rural people as well. Five States - Alabama, Georgia, North Carolina, South Carolina, and Oklahoma - have established State ETV Authorities to blanket their States with special programs.

A pilot program in educational television in Washington County, Md., emanating by cable from the county seat town of Hagerstown, has now had 10 years of successful experience. Since 1956, it has reached some 20,000 students in 45 elementary and secondary schools throughout the county with part of their daily instruction through the medium of closed-circuit television in all of the basic subjects and at all grade levels. The program uses teachers in the studio from the school system's regular staff, each lesson being taught in part by the classroom teacher. Among the findings of a report on this experience, which have special relevance for rural schools, are: (1) Television instruction serves as an "equalizer" in the sense that all schools, rural and urban, small and large, receive the same fare, the same quality and variety of subject matter and presentation; (2) television offers vocational training opportunities not only in lessons which can apply directly to jobs, but also in studio-operating experience, on the part of students, as preparation for a career in television broadcasting and programming; and (3) educational television can be made a community facility by encouraging parents and other adults to participate in the lessons, and by using it to stimulate interest in community projects (34).

To the extent that rural and urban people get their news from the same source, whether it is radio, television, or newspapers, this common source is another factor in lessening differences in interests and viewpoints between the two groups. It is also something of an indicator of comparative levels of living. In both urban and rural areas, daily newspaper delivery was fairly high in 1959. For city families, it was nearly 64 percent, something less than 50 percent for farm families, but the pattern varied according to the region of the country. In the Northeastern States, 61 percent of the farm families had daily newspaper delivery, while the figure for city families was 52 percent. In the other geographic regions, city families had higher percentages than farm families, the highest being 71 percent for city families in the North Central States (farm, 65 percent) and the lowest in the South where the figures were 67 percent for city families and only 35 percent for farm. In the West, the percentages were 68 and 50 for city and farm families, respectively (44, p. 8).

The changing scene in rural areas is the result of numerous factors, including continuing population mobility, closer relationships between rural and urban ways of living, more amenities, and stepped-up transportation and communication. Many rural communities have grown closer to their urban counterparts while others, particularly low-income areas, are still not on the path to better living. Rural communities, families, schools, churches, and all social institutions serving rural people are finding the need to come to grips with the social changes occurring in many aspects of rural life. Federal, State, regional, and local programs are now available to assist local communities in many ways if the residents will get together and make their needs and desires known. Joint discussion and planning in themselves will enhance the lives of the participants, will stimulate purposeful action, and help to develop local leadership among rural people.

PEOPLE IN PROBLEM SITUATIONS

OVERVIEW

The number of adequate-sized family farms has been growing. Increased commuting by rural people and industrialization in and near rural areas have also helped make it possible for more and more rural residents to earn adequate incomes and experience rising levels of living along with the rest of the Nation.

This part of the report is concerned with understanding the conditions of those in rural America who have not shared as fully in the Nation's progress. There are relatively large numbers of rural persons in problem situations, as has already been shown in the consideration of underemployment and incomes. This is further reflected in the fact that there is a larger proportion of poor people in rural America than in the rest of the Nation. As shown in table 8, there are virtually as many rural poor people as there are urban poor. Yet, there are far fewer rural residents in total than there are urban residents. The people in problem situations considered in this part of the report include about 17 million rural poor and the several millions of others who are not poor according to technical definition, but who are operating below their personal potential as reflected in the income and underemployment figures cited earlier.

To understand the circumstances of people in problem situations, it is necessary to go behind the totals and break down figures in various ways according to which group situation is being considered (table 9).

The numbers of people referred to in the sections which follow are not additive, because many persons are in more than one kind of group problem. It is especially difficult for those who find themselves in more than one kind of problem to better their situation. An older Negro hired farm laborer appears in three sections below, since he has problems of the rural elderly, is a member of a minority group, and has a special occupational problem. In the final section of this part of the report, the rural poor are classified by geographic area. Many of the poor also appear in the section on elderly people. There are particularly heavy concentrations of poor people in the boxed-in situation to be considered first.

BOXED-IN RURAL RESIDENTS

Origins of the Problem

Most of the heads of impoverished rural families are able-bodied men. Some can be trained and can move to jobs wherever they are available. But those over 45 years of age, who comprise about half of the family heads, cannot realistically be expected to move from their home communities, and can at best be trained for semiskilled jobs.

How did a problem of this kind come about? Farmers and people who serve them in rural areas have been technologically disfavored, in very much the same way as untrained workers in cities have been disfavored by progress as they find job opportunities dwindling because of automation. Many farm families in poverty are using production techniques that were up-to-date and would have enabled them to earn fairly good incomes 30 to 50 years ago. Many of them lack the managerial background and large amounts of capital that have turned today's successful family farms into major business enterprises. There is also some occupational maladjustment for merchants and bankers serving farmers in the rural areas which have experienced both heavy outmigration and reduced income of clientele. Some businessmen in small towns have been displaced by modern, centralized wholesaling and retailing practices.

Adults who have already settled down in rural areas have the deep roots of their lives there, with homes and families. Even if harsh policies were adopted of trying to force them to move out of the environs of their present communities, a great many of them would choose to remain there in the face of severe deprivation for them and their children. Indeed, many of them probably have chosen to remain, or they may know of no alternative. Millions not in poverty work at jobs below their potential.

Lower incomes affect entire communities. Gradually, able leadership is lost. With sparse population and a low tax base, the quality of education, health services, and community amenities deteriorates.

Table 8.--Number of persons and families in poverty, by residence, United States, 1960 and 1965 1/

Persons and unrelated individuals	1960		1965	
	Persons	Families	Persons	Families
	Millions			
Total in poverty	41.3		35.3	
Urban	22.6		19.4	
Rural	18.7		15.9	
Nonfarm	13.0		10.5	
Farm	5.7		5.4	
In families	34.9	8.7	29.0	7.0
Urban	17.8	4.6	15.9	3.8
Rural	17.1	4.1	13.1	3.2
Nonfarm	11.6	2.8	8.9	2.1
Farm	5.5	1.3	5.2	1.1
Unrelated individuals	6.4		5.3	
Urban	4.8		3.5	
Rural	1.6		1.8	
Nonfarm	1.4		1.6	
Farm	.2		.2	

1/ Poverty thresholds for nonfarm families, developed by Mollie Orshansky (Soc. Sec. Bul., Jan. and July 1965), in terms of family money income, were determined by: (1) Costing a nutritionally adequate economy food budget for families of various compositions regarding number, age, and sex of members, and (2) multiplying that food cost by three. Poverty threshold for farm families is 85 percent of the money income of the relevant nonfarm family. The range of poverty threshold incomes is: nonfarm, $1,580 for 1-person family under age 65 to $5,090 for family of 7 or more persons; farm, $1,340 for 1-person family under age 65 to $4,325 for family of 7 or more persons.

Source: 1960 figures derived from 1960 Census of Population. Urban, rural, and nonfarm rural populations for 1965 were estimated from Current Population Survey data by Office of Economic Opportunity. (See Dimensions of Poverty, Office of Economic Opportunity, 1965.)

Table 9.--Rural families in poverty by age of head[1]

Age of head	1960	1965
	- - - Millions - - -	
Under 25...........	0.3	0.2
25-44................	1.7	1.2
45-64................	1.4	1.2
65 and over..........	.7	.6
All poor families.	4.1	3.2

[1] See definition for poverty threshold in footnote 1, table 8.

Source: 1960 data from U.S. Bureau of Census, Current Population Survey Ser. P-60, No. 35. 1965 estimates by age-of-head groups were developed in Economic Development Division, using total number of rural poor estimates shown in table 8.

How Many Are Boxed In?[8]

It was estimated on the basis of 1959 data that, of 4,435,000 low-income rural family heads, 2,750,000 of them were boxed-in and 1,685,000 were not. Most of the boxed-in families were those with older heads whose potential for retraining and migration to other communities was relatively limited. In the boxed-in group were an estimated 1,157,000 families with heads over 65 years of age; 1,255,000 with heads 45 to 64 years of age and 8 years of school or less; and 338,000 with heads 25 to 44 years of age and, generally, less than 8 years of formal schooling. Families whose heads were under 25 were not considered boxed-in because, in spite of a low level of education and lack of assets, they were regarded as having potential for makir

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[8] Identification of the "boxed-in" rural poor is importan veloping successful antipoverty programs for rural areas

Table 10.--Number of "boxed-in" and "not boxed-in" low-income rural family heads by age and residence, 1959

Age and education characteristics	Residence		
	Total rural	Nonfarm	Farm
	----------------Thousands	----------------	
Boxed-in:			
Heads 25-44 years of age...................	338	[1] 186	[2] 152
Heads 45-64................................	1,255	[1] 750	[2] 505
Heads 65 or over...........................	1,157	814	343
Total boxed-in.............................	2,750	1,750	1,000
Not boxed-in:			
Heads under 25 years of age:			
Completed 8th grade or less..............	93.5	69	24.5
More than 8th grade education............	153.5	129	24.5
Heads 25-44 years of age...................	927	[1] 627	[2] 300
Heads 45-64................................	383	[1] 187	[2] 196
Heads 65 or over...........................	128	90	38
Total not boxed-in.........................	1,685	1,102	583
Total......................................	4,435	2,852	1,583

[1] Estimates based on: (a) an estimated 70.2 percent of all heads of nonfarm rural families aged 25-64, and 83.2 percent of corresponding heads aged 65 years or over had 8 years of schooling or less; (b) an estimated 80 percent of heads 45-64 years of age had completed 8 years of schooling or less; (c) a judgment on the relative importance of age, education sex, residence, race, family composition, level of assets, health, and other poverty-linked factors on the relative mobility and employment potential of rural families.

[2] Estimates based on: (a) an estimated 69.2 percent of all heads of farm families aged 25-64, and 82.5 percent of corresponding heads aged 65 years and over had 8 years of schooling or less; (b) and (c), same as nonfarm.

Source: 1960 Census of Population and (5, p. 14).

adequate income. Older people with a fairly good education, and experience fitting them for several jobs, were also not considered boxed-in. Of the boxed-in rural families, 1,750,000 were nonfarm rural and 1 million were farm families. Of those not boxed-in, 1,102,000 were nonfarm rural and 583,000 were farm families (5, p. 13).

A substantial proportion of the poverty in rural areas could be relieved if extra jobs, training, and more business opportunities were made available to the nearly 3 million unemployed equivalents in the rural labor force.

Alternative Measures

Existing programs have relatively little effect on boxed-in rural people. Measures to increase national prosperity result in job opportunities for younger, more mobile rural people; but no matter how great the demand of the national labor market, the older, immobile, unskilled worker does not generally find a new job. Rural industrialization of certain types offers a little more promise. Boxed-in farmers share little in benefits from price-support and farm-income payment programs because their agricultural production is low. They would, however, be further disadvantaged without such programs.

Welfare grants are sometimes discussed. These provide temporary relief, would contribute to a somewhat better level of living, and might even make it possible for the children in these families to continue in school a few years longer. While this kind of "in place" assistance would require a considerable amount of money, it would undoubtedly cost less than supporting boxed-in rural people as unemployed residents in cities. However, it would be a stopgap measure.

While these low-income families are generally considered to be poor credit risks, modest loans, perhaps accompanied by some grants, to enable them to make their farms more productive, have been suggested. This method would have to be accompanied by enlarged agricultural extension services or other technical assistance. Even so, many of these low-income families will not succeed in agriculture. Their generally low level of education has not provided them with the technical skills and management ability needed in modern farming. The older farmers may no longer have the physical capacity to run a farm enterprise (21).

Loans of modest dimensions are available under Title III of the Economic Opportunity Act. This legislation provides authority to make loans of not more than $3,500 to low-income rural families if these loans have a reasonable possibility of bringing about a permanent increase in family income. The loans may be used in these ways: (1) To acquire or improve real estate or reduce mortgage indebtedness; (2) to operate or improve the operation of a farm; (3) to participate in cooperative associations; and (4) to finance nonagricultural enterprises. An extensive loan program is also carried out by the Farmers' Home Administration in the Department of Agriculture.

The solution for breaking the circle of poverty for boxed-in rural people is, of course, not simple. Nor is it likely to be found in any single program. It is more apt to come about by a combination of providing better housing through available channels; antipoverty programs of the Office of Economic Opportunity; training and retraining in nonfarm job skills or better farm practices; literacy and other basic education programs; and employment in public works and conservation activities of benefit to both the individuals involved and the community or area in which they are carried out.

Environmental Improvement

Table 11 shows what acceleration of community facility construction, natural resources improvement, and subprofessional employment could mean in terms of employment of lower skilled rural residents. For community facilities construction and natural resources projects, the figures are 10-year backlog estimates. The estimates for community facilities are those of needs--what it would take to bring facilities in rural areas up to levels of adequacy being achieved in more prosperous centers of the country. The natural resources estimates are, for the most part, projects that could be carried out under present authorities if funds were available. Table 11 is presented for illustrative purposes only.

No numerical estimate is given for beautification. The potential for activity of this kind is enormous. The output is clearly useful, but this report does not presume to judge how useful as judged, say, by the amount of beautification in which the public would be inclined to invest.

Employment opportunities for subprofessional occupations are conservatively estimated, in that there are potentialities for subprofessionals in occupations other than

Table 11.--Possible cost and local employment for environmental improvement in rural areas

Type of activity	Possible 10-year total cost	Annual local employment		
		Total	Skilled	Unskilled
	Billion dollars	---1,000 man-years---		
Community facilities	50	200	125	75
Natural resources improvement	25	275	100	175
Employment of subprofessionals	15	450	0	450
Sub-total	90	925	225	700
Additional local "multiplier" employment effects	--	740	290	450
Total	90	1,665	515	1,150

those shown. Experience is limited with large-scale programs for this type of employment. The estimates given are for possibilities that it is felt can definitely be justified as giving highly useful employment, mainly in health and education. Most of the jobs are for helpers, freeing highly qualified workers from routine and nonprofessional duties so that they may concentrate on their specialized professional services.

All the 10-year estimates in table 11 are converted to the annual employment that these activities would provide for lower skilled employees. A local "multiplier" of 1.8 is used (nearly 1 man-year added in trade, service, and other local supportive activity for every man-year of program employment), taking into account the skill composition of the supportive activity (about 60 percent of employment being of lower skill).

This 1.1 million addition to employment of less skilled workers compares with the unemployed plus underemployed equivalent in rural areas. This was more than 3 million in 1959 and could have been reduced to 2.5 million by 1965 due largely to improvement in national economic conditions. As brought out earlier, the measurement of underemployment is based on what persons of comparable age, education, and sex could earn if they earned as much as persons in the Nation as a whole.

An alternative measure of potential unskilled workers in the programs proposed is the 1960 estimate of 3.1 million rural families with heads aged 25 to 64 who were in poverty. This evidence indicates that the amount of potential unskilled labor greatly exceeds the possible use of the labor outlined in table 11, and underscores the magnitude of the boxed-in problem.

HIRED FARM LABOR

Problems of a Heterogeneous Work Force

A work force which is extremely diverse in composition at all times during the year, and which varies throughout the year as labor demands intensify and decline, poses singular and complex problems.

About 71 percent of the 3.4 million working force who did some work for wages on farms were men or boys [9] Sixty-nine percent were white. Only a fourth were engaged chiefly in farm wagework (fig. 5). More than half, primarily housewives and students, were not in the labor force most of the year, and about a fourth were young people 14 to 17 years old who did farmwork mainly in the summer.

Dividing the 1964 work force another way, about 650,000 were regular and year-round workers who spent most of their time in farmwork (150 days or more). Another 1.3 million persons, a highly important group in terms of their need at specific labor-intensive times, worked 25 to 149 days on farms for wages. And then there were the 1.4 million casual workers who worked less

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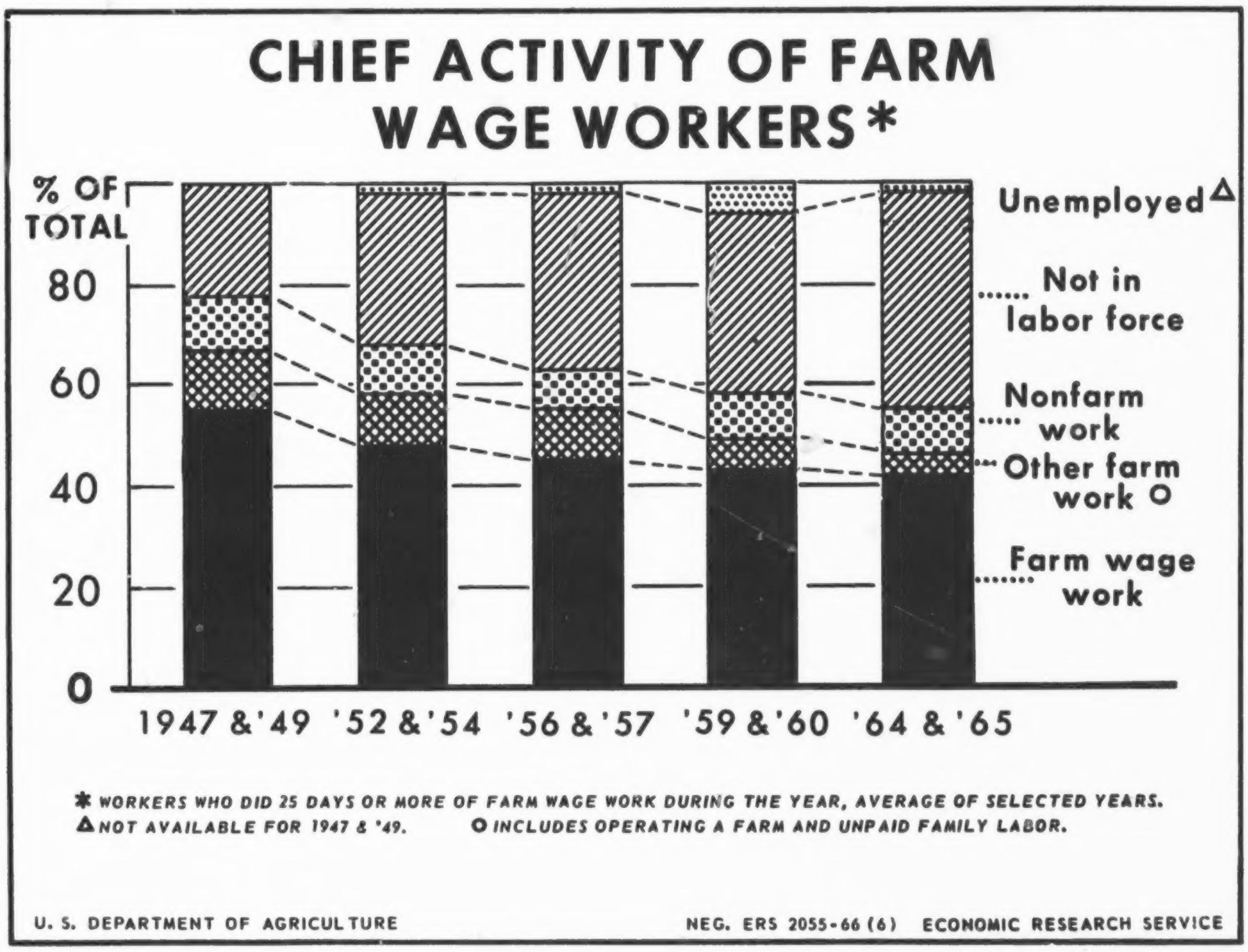
[9] Not included in this 3.4 million are persons who did some farm wagework in 1964 and who died, entered the Armed Forces, or were otherwise removed from the survey population at the time of the survey in December. The total number of persons who are excluded from the ERS survey probably does not exceed 500,000. This excluded group includes foreign nationals who did farm wagework in this country and who had returned to their homes before the survey. In 1964, approximately 200,000 foreign agricultural workers were admitted to the United States under contract.



CHIEF ACTIVITY OF FARM WAGE WORKERS*

* WORKERS WHO DID 25 DAYS OR MORE OF FARM WAGE WORK DURING THE YEAR, AVERAGE OF SELECTED YEARS.
△ NOT AVAILABLE FOR 1947 & '49. ○ INCLUDES OPERATING A FARM AND UNPAID FAMILY LABOR.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 2055-66 (6) ECONOMIC RESEARCH SERVICE

Figure 5

than 25 days. The short-time workers were mainly housewives, students, and others who were not in the labor force except for very short periods. The casual and seasonal workers were, nevertheless, employed in agriculture at those crucial periods of peak labor demand which can mean success or failure for the farm operator who employs them. A considerable number of them came from households whose principal source of income was nonfarm work or farming. These households were generally at a higher income level than the groups deriving their income primarily from agricultural wagework.

There are 2.6 million households in the United States having one or more persons who do farmwork for wages or salary. The total population of these households is around 11 million persons, or 6 percent of the total U.S. population. This represents the maximum number of persons in the Nation who had some direct dependence on hired farmwork for their support in 1964.

In farmworker households, about 27 percent of the population are nonwhites, whereas they are only about 12 percent of the general population. Most of the nonwhites are Negroes, but Japanese, Filipinos, and American Indians are also included.

Geographic and Residential Dispersion

Hired farmworkers are concentrated on a small proportion of the farms in the United States and in certain types of farming. Yet the hiring farms, and thus the hired farmworkers, are widely dispersed throughout the country. Relatively high dispersion of workers is one of the factors that has retarded the extension of labor laws to cover this group.

In 1964, more than half the workers lived and worked in the South. About one-tenth lived in the Northeastern States; the remainder were about equally located in the North Central and Western States. Within these broad regions, there were, however, widely diverse patterns in the proportion of farms which utilized any hired labor or which used only regular, or regular and seasonal labor.

Three States--California, Texas, and Florida--accounted for about one-third of the total farm labor bill in 1964. These three States, and North Carolina, New York, Illinois, Arkansas, Washington, Iowa, and Oregon, accounted for about 50 percent of the total farm labor bill, and about 47 percent of the average number of workers employed per month on farms in that year.

Only about 300,000 farms in the United States use one or more regular hired workers. These workers (around 700,000 in 1959) were hired most extensively in the Atlantic and Gulf Coast States, parts of the North Central Region, and California. Seasonal workers are somewhat more concentrated.

Livestock and dairy farms usually have a high proportion of regular workers, as stock requires regular attention. Tobacco and cotton farms, on the other hand, rely heavily on seasonal workers. Fruit and nut farms and vegetable farms are also large users of seasonal hired workers, and have been the principal users of imported foreign workers in recent years. These specialty-product farms were about the only users of the 39,000 foreign workers authorized by the Department of Labor in 1965. Citrus fruits, strawberries, apples, potatoes, shade tobacco, sugarcane, tomatoes, and some other specialty-crop work utilized foreign workers at various periods in 1965, but will probably need to depend more completely on domestic seasonal workers in the forthcoming years.

In 1964, nearly two-thirds of the hired farm-working force lived in nonfarm places at the end of the year (although some of them lived on farms at some time during the year). This is in contrast with the situation in 1948-49 when approximately, two-thirds lived on farms most of the year.

Thus, the welfare of hired farmworkers is no longer solely a problem of farm areas as workers are increasingly drawn from nonfarm sources. They may come by day-haul, and return to nonfarm homes at night. They may work on farms during the week and return home on weekends. Or they may work on farms during the summer or other peak periods and then go to nonfarm work or drop out of the labor force for the rest of the year.

Seasonal Nature of Agricultural Work

Evidence from recent years points toward increasing seasonality in agricultural employment, accompanying trends in mechanization and specialization in agricultural production. Regular and year-round workers, who comprised about one-fifth of the 1964 hired farm-working force, did about two-thirds of the 271 million man-days of hired farmwork. This contrasts with the situation 15 or 20 years ago when these workers comprised about one-fourth of the hired farm-working force and did about three-fourths of the man-days of work. Casual workers, who made up about two-fifths of the hired farm-working force, did about 5 percent of the man-days of work at that time. As mechanization and other technological developments continue to reduce the overall demand for hired farm labor, the proportion of short-time workers is likely to increase, and their periods of employment on farms are likely to be generally shorter. The hired farmwork force of the future is, therefore, likely to consist of even higher proportions of housewives, students, and workers drawn from nonfarm sources who work on farms only at certain times.

In 1964, casual workers did about 80 percent of their farm wagework in 5 months--June through October. Noncasual workers, on the other hand, did only a little more than half their work in these months.

A few facts will illustrate the variation in the length of time workers spend in agricultural employment during the year: Casual workers averaged 9 days of farm wagework; seasonal workers, 64 days; regular workers, 198 days; and year-round workers, 321 days.

Low-Income Problems

Households in which one or more members had done some farm wagework had a median net money income from all sources of about $2,600 in 1962. The median for white households of $3,156 was more than double that of $1,505 for nonwhite households. Part of this difference was because a higher proportion of nonwhite households were headed by persons who for most of the year were not in the labor force or were unemployed. Also, more white than nonwhite heads were engaged primarily in nonfarm work rather than farm wagework.

Households of hired farmworkers have the highest incidence of poverty of any major occupational group except for those headed by domestic service workers. In 1964, the total money income of all family members was below $3,000 in about 56 percent of the hired farmworker households. The incidence of low income was particularly high among nonwhites (83 percent), and among households headed by persons who had done some migratory farm wagework (71 percent).[10]

In part, low income stems from the seasonality of agricultural work and consequent short duration of employment. Other factors, however, contribute to the low-income position of farm wageworkers and their families.

In July 1965, the farm wage rate per hour for workers who did not receive board or room averaged $1.14. In 1 State, the 1965 average was 65 cents an hour; in 5, it was $1.40 or more. The rate was below $1 an hour in 12 States, averaging about 82 cents an hour. Wage rates were lowest in the South, where about half the workers lived and worked, or had their home base if they were migratory workers. Rates were somewhat higher in the North Central States which had about 20 percent of the workers, and were still higher in the Northeastern States. The Western States, which had about 20 percent of the workers, paid the highest average wages.

Although farm wage rates have risen substantially in all parts of the country in recent years, they are still lower than for most other occupations. Production workers in manufacturing industries earned an average of about $2.61 an hour in 1965 compared with $1.14 an hour for farm wageworkers.

Moreover, the relative position of farmworkers has deteriorated since World War II. When adjustments are made for cost-of-living increases, farmworkers are falling behind wageworkers in other industries. The relative worsening of the farm-nonfarm wage-rate situation holds for all major regions of the country. Even in California, where the highest average farm wages are paid, the gap between farm and nonfarm wages has widened in the last 10 years.

In 1964, hired farmworkers as a group earned about $7.15 a day in cash wages from farm wagework. For about 80 days of farmwork, the average 1964 hired farmworker earned $578. Wageworkers who combined nonfarm work with farmwork during the year generally tended to have higher average days of employment and yearly earnings. About 1.3 million persons were employed at both farm and nonfarm wagework in 1964, working an average of 49 days on the farm and 98 days at a nonfarm job, and earning total wages of $1,379. For those with nonfarm work as their principal activity, earnings for 228 days of wagework totaled $2,641; they earned about $7.95 a day from farm wagework and $12.20 a day from nonfarm.

In addition to receiving lower wages, hired farmworkers generally receive fewer fringe benefits than do nonagricultural workers. A substantial proportion of farm wageworkers do receive some perquisites, such as room and board, housing, meals, transportation, and use of garden space. But, in general, the value of these items does not equal that of health and medical insurance, paid vacations, and other fringe benefits received by industrial workers. The quality of housing, sanitary facilities, and other housing equipment provided for farm wageworkers is very often substandard.

Contributing to the low annual income of many farmworkers is the large measure of unemployment they experience. It is estimated that of the 3.4 million persons who did some hired farmwork in 1964, about 700,000 had some unemployment during the year. Of these, about 160,000 were unemployed 27 weeks or longer, and some 200,000 experienced 3 or more periods of unemployment. Unless they have qualified for unemployment insurance benefits through nonagricultural wagework, hired farmworkers and their families are without financial protection when unemployed.

Low levels of education among hired farmworkers place severe handicaps on their employment, occupational choices, and income-earning capacity. And these workers, on the average, have not increased their level of educational attainment, as have other occupational classes in the United States. While low educational levels contribute to low incomes, there are other contributing factors.

About half the population of hired farmworker households consists of children under 18 years of age. About 3 million, or 54 percent, were in households in which total family income in 1962 was less than $3,000. These 3 million young people comprise 27 percent of the 11.4 million children and youth under 18 years of age living in all households in the United States in which family income totaled less than $3,000 in 1962.

Median years of school completed by heads of households (25 years of age and over), which had one or more persons doing farm wagework in 1964, was 7.7 years. About 65 percent of these household heads had not gone beyond 8 grades in school. Of the family heads in the general population in 1964, on the other hand, only 32 percent had not gone beyond 8 grades. For nonwhite heads, in the general population, the percentage was 54. Nearly two-thirds of the children and youth under 18 in households in some way dependent on farm wagework were in those households where the head had completed 8 grades of school or less.

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[10] 1962 data.

The economic advantages of improving the educational level of farmworkers is amply demonstrated as follows: Households in which the head had completed less than 5 years of schooling averaged about $2,000 total income; those where the head had 5 to 8 years averaged about $3,000; and those where the head had completed high school averaged nearly $5,800 in 1962. Thus, higher average income is generally associated with each higher level of educational attainment of the head of farmworker households.

Mobility, Migration, and Labor Turnover

Male hired farmworkers have the highest mobility rate of all civilian, male wage-and-salary workers in the major occupational groups. About 29 percent of male wage-and-salary farmworkers lived in a different house in March 1964 from the one in which they had lived a year earlier. This compares with mobility rates of around 20 percent for male white-collar, manual, and service wage-and-salary workers (table 12).

This high rate of mobility and migration among hired farmworkers stemmed, to a large extent, from characteristics associated with their occupation. Among these characteristics were: (1) Seasonality of employment, with associated changes of residence. About 65 percent of the hired farmworkers lived in nonfarm places in December, a month of low farmwork activity. Yet many of these workers moved from a nonfarm place to a farm for a period of employment, and returned to a nonfarm place, but not necessarily to the same house or even the same city or town. (2) A high proportion (about 40 percent) of workers had more than 1 employer during the year, often involving farm-to-farm moves. (3) Probably most important was the significant proportion of workers who traveled about the country (11 percent) while engaging in, and looking for, farmwork. About 55 percent of the workers lived in rented or rent-free housing, from which moves could be made with relative ease.

A great deal of the public attention that is given to hired farmworkers is focused on the migratory minority which travels about the country seeking farmwork. Originating in Texas and Florida, two distinct groups fan out through the Central and Western States and along the Atlantic Coast and other Eastern States. Other smaller groups from Arizona and New Mexico travel to and from work in California, Washington, and Oregon.

Table 12.--Mobility rates of male wage-and-salary workers, March 1963-March 1964

(Persons 14 years old and over)

Wage-and-salary workers	All movers	Within county movers	Intercounty movers (migrants)				
			Total	Within a State	Between States		
					Total	Contiguous	Noncontiguous
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Total..................	20.9	14.1	6.8	3.5	3.3	1.2	2.1
White-collar.........	20.0	11.8	8.1	4.1	4.1	1.6	2.5
Manual...............	21.3	15.5	5.8	3.1	2.7	.9	1.7
Service..............	20.0	14.4	5.6	3.0	2.7	.7	1.9
Farm.................	29.2	18.5	10.7	5.2	5.5	2.0	3.5

Source: Mobility of the Population of the United States (43).

Domestic migratory workers have totaled about 380,000 in recent years--about 10 percent of the total hired farmwork force. Three-fifths do 25 days or more of farm wagework during a year, with more than half of them falling in the seasonal worker category. In 1964, noncasual migratory workers earned about $1,083 from their farm wagework.

In 1962, there were 178,000 households, containing 604,000 persons of all ages, in which the head did some migratory farmwork. These households do not include all of the 380,000 people who do migratory farmwork during the year. Some either do not come from households where the head was a migratory worker or they lived in group quarters which were not defined as households. It is estimated that about 300,000 households have one or more migratory workers. The relatively small number of households headed by migratory farmworkers (5.4 percent of the total farmworker household population) means that migratory workers constitute a very small segment of the total group that has some dependence on hired farmwork.

Incomes of households headed by migratory workers averaged about $2,600 from all sources in 1962. Among these households, the same relationship between level of education and family income, as was found with other farmworkers, was revealed. Households headed by persons with less than 5 years of school completed averaged about $1,900, while average family income was $4,200 when household heads had completed high school.

Legislation now in effect on either a national or State basis deals mainly with migratory farmworkers. Certain States regulate labor camps, conditions of travel, day care for children, working hours of children under 16, farm-labor contractors and crew leaders, and other working arrangements of migratory farm laborers. Federal legislation requires crew leaders to register with the Employment Service and regulates their activities. The Economic Opportunity Act has special provisions for programs to improve housing, sanitation, and day care of migratory children. The Migrant Health Act provides for special programs to improve the health conditions and medical facilities available to migratory workers and their family members.

The Economic Opportunity Act was given about $20 million in 1965 for special programs for migratory and other seasonal workers. By June 30, 1965, 50 projects from 26 States for these special programs had been approved. Grants totaled more than $14 million, with about 28 percent for projects in California. Most of the projects included educational programs for children in migrant-worker families; supervised day care for children is often provided. New approaches are now being tried to meet housing and sanitation needs.

MINORITIES

Negroes

Historical Background

The Census of 1890 showed that more than 60 percent of all employed Negroes were farmers or farm laborers. In the same year, not more than 40 percent of white workers were engaged in farming. The recorded number of Negro farmers (including tenants) was the largest in the 1920 Census when there were 926,000.

Opportunities for Negroes to enter industrial work in the North arose during World War I, as the supply of foreign immigrants was cut off and as young white workers went into military service. As a result, many Negroes began to leave farming. This step often became a necessity shortly thereafter as the boll weevil ravaged many cotton areas and the effects of erosion removed land from production.

During the depression, the gradual decline in tenant farming became a permanent trend. But, although poverty among rural Negroes was widespread, the number of Negro farmowners was reduced very little.

At about the same time that World War II erupted, mechanization of farming began to have widespread effects on Negro farmers. Because of their historic concentration in cotton farming, any radical reduction in the number of Negro farmworkers needed was dependent on mechanization of this crop. By the beginning of World War II, the use of tractors was becoming widespread in the South. The mechanical cotton picker had been invented, and its adoption was only a matter of time. During the War, which was a prosperous period for farmers, the number of Negro farmers was remarkably stable, declining by only 2 percent from 1940 to 1945. However, many younger persons left farms for nonfarm work and military service.

After the War, mechanization spread in the West and on large units with sharecroppers in the South. In the 1950's, chemical and mechanical methods of weed control almost completely eliminated the need for hand labor in cotton cultivation. As a result, the sharecropping system of contracting with families to be responsible for relatively small amounts of cotton acreage, which were cultivated and picked by hand, underwent further drastic decline. The work can be handled much more quickly and cheaply with machinery operated by wage hands. For these and other reasons, the number of Negro tenant farmers has decreased very rapidly--falling by more than 70 percent from 1945 to 1959. (At present there are probably not more than 80,000 left, and many of these are not working in cotton.) In the Mississippi Delta, the number of hired workers added to replace tenants appears not to be more than one hired worker for each three or four departing tenants. Negro farmowners who produce cotton have also been under pressure because they are predominantly on small farms where they find it difficult to adopt modern practices and because cotton allotments have been cut.

The other major type of farming engaged in by Negro farmers is tobacco. The increase in cigarette smoking, beginning about 50 years ago, led to a steady expansion of tobacco growing in the South Atlantic States. The crop was well-suited to Negro farming conditions, for it required relatively small acreages to support a family, and could effectively utilize large amounts of family labor. Negro tobacco farmers (including tenants) more than doubled in number from 1910 to 1945, and the proportion of all Negro farmers who were producing tobacco rose from 5 to 24 percent in the same period.

The greater persistence of tobacco than cotton in the use of hand labor has shifted the principal center of Negro farmers away from the South Central States and toward the Atlantic Coastal Plain. However, conditions are now changing in tobacco farming. In recent years, semimechanized methods of harvesting have been introduced, as well as methods [illegible] curing that require less labor. Fully mechanized harvesters are being tested in the fields today. The prospect is for greatly lowered labor requirements in the future, which will make it more difficult for small owners to compete with the larger units.

Farm Production and Occupation

The small scale of the average Negro-operated farm is well illustrated by statistics on value of products sold per farm. In 1959 (the last date for which such data are available), more than 70 percent of Negro farmers sold products valued at less than $2,500. The profit from such a level of gross sales is clearly inadequate to lift a family above the poverty level. Most of these farmers did not have any substantial amount of off-farm income to supplement their farming. Only 9 percent of Negro farmers sold as much as $5,000 worth of products. The comparable figure for white farmers was about 40 percent. By 1959, the total number of Negro farmers had fallen to 273,000 and the current number is estimated at not more than 200,000, or about 22 percent as many as in 1920.

Although the role of the Negro as a farmowner, or as a tenant working for a share of the crop, has diminished, the relative role of the Negro in hired farmwork has not lessened. Today, the hired Negro farmworker makes a greater labor contribution to supplying the Nation's agricultural needs than the Negro farmer. In the South, where Negro farmers comprise no more than a sixth of all farmers, Negro workers do fully half of all hired farmwork. In the North and West, where there are few Negro farmers, migratory Negro laborers perform a substantial amount of seasonal farmwork.

Because of the shift in the South from tenant crop farmers to hired workers during the 1950's, the number of Negroes working primarily as hired farmhands increased slightly from 1950 to 1960, while the number of white workers (many of whom were in nonfield crop types of farming) declined rapidly. The 1960 Census was the first to show more Negro than white hired farmworkers in the South.

Family Characteristics

One distinctive feature of households of Negro farmworkers is the large number headed by women. A survey in 1962 (7) showed that 26.6 percent of them had no male household head, compared with 8.5 percent among their white counterparts. The occurrence of many families with a woman for the head is common in the nonagricultural Negro population as well, but the difference between the Negro and white populations in this respect is seldom as great as it is among farmworkers. Generally, these female heads do not have as many as 150 days of farmwork per year, and the incomes of such families are often very low.

Because of a low level of education and technical training, and location predominantly in the South, two-thirds of the Negro hired farmworkers do only hand labor. In contrast, the majority of white farmworkers perform more skilled work. Hand labor is not necessarily more poorly paid than other farmwork per day, but it usually is available only half as many days per year per worker, and thus is associated with low-family income.

Recent Developments

Although the decline in number of Negroes in agriculture has been underway for many years, certain recent events have served to hasten it. The Agricultural Act of 1965 instituted cuts in allotted acreage of cotton for all farmers except those with less than 10 acres of allotment. Farmers have various options under the Act which would yield them varying levels of price support. The higher the acreage cut accepted, the higher the support given by the Government. In the Mississippi Delta, which is the most densely settled cotton area of predominantly Negro population, it is estimated that from 1965 to 1966 the average cut in cotton acres planted may be about 25 percent. Such a cut greatly reduces the amount of labor needed from either tenants or hired workers on the plantations and large farms of this area. In addition, farmers are reported to be hastening the extent of general mechanization of farm operations in the South because of the prospect that minimum wage legislation may be enacted which would substantially increase their labor costs. Thus the number of tenants and hired workers, Negro and white alike, who may leave agriculture in 1966 and be in need of other work is likely to be higher than the average number leaving in recent years.

Population Changes

The total number of Negroes living in rural areas in 1960 was about 5.1 million. Of all rural Negroes, 93 percent are in the South, compared with only 48 percent of urban Negroes. Although there has been heavy migration of Negroes to the North and West, all but a small fraction has been directed to the cities. The urban movement has been so extensive that the Negro population is now more highly urban than the white, whereas in the past it was always the more rural group. The proportion of the Negro population which was urban in 1960 was 73.2 percent compared with 69.6 percent for the white.

The rural Negro population has decreased in size in each decade since 1920 (table 13). The loss from 1950 to 1960 was nearly 600,000, or about 10 percent. But the overall rural loss has always been due to a steady decline in the farm population. The nonfarm rural Negro population has increased in each of these decades. Thus the well-known loss of Negro sharecroppers and other farmers is not characteristic of the trend in the total rural population. With farm residents now a minority of all rural Negroes, heavy losses among farm people in the future may no longer offset the growth of the nonfarm rural population. It is quite possible that the Negro rural population will not drop below 4.5 million, and it could begin to increase after 1970. Thus rural Negroes are expected to remain a numerous element in the Southern population.

Because of the greatly diminished number of Negro farmers and the increasing tendency for hired farmworkers to live off the farm, a majority of rural Negroes are now employed in nonfarm work (64 percent) and do not live on farms (53 percent). In contrast, as late as 1940, two-thirds of the rural Negro population lived and worked on farms. Farming is still the largest single source of rural employment, but 16 percent of rural Negro workers are in manufacturing, another 16 percent (nearly all women) work in private households as domestics, and about 35 percent are in a variety of industries such as construction, retail trade, education, transportation, hospitals, military work, and civilian government employment. As with white rural residents, some of the jobs held are located in urban places and are accessible by commuting.

Despite the heavy Negro outmigration from rural areas, the comparative need for continued migration in the future is not eliminated. Rural Negroes have families that are much larger than the families of either rural whites or urban Negroes. Each 1,000 nonwhite farm women 40-44 years old in 1960 had borne an average of 5,618 children--enough to increase that population 2 1/2 times from generation to generation,

Table 13.--Rural Negro population in the United States, by farm and nonfarm residence, 1920-65[1]

Year	Rural population		
	Total	Nonfarm	Farm
	Thou.	Thou.	Thou.
1920...........	6,904	1,804	5,100
1930...........	6,697	2,017	4,681
1940...........	6,612	2,110	4,502
1950[2]...........	5,650	2,491	3,158
1960[3]:			
Census........	5,057	3,575	1,482
Revised.......	5,057	2,667	2,390
1965[3]...........	--	--	1,408

[1] Figures are rounded to the nearest thousand without being adjusted to group totals.

[2] The definition of rural was made more restrictive in 1950 than formerly, accounting for about 500,000 of the total rural decline from 1940-50.

[3] The definition of farm residence was made more restrictive in 1960, and the 1960 Census obtained a distinct underidentification of the Negro farm population. The revised figure shown is an estimate based on the Current Population Survey of the Bureau of the Census. The estimate for 1965 is also based on the Current Population Survey.

Sources: U.S. Censuses of Population, 1930, 1940, 1950, 1960 and unpublished estimates of the Economic Research Service.

or about 40 times in a century. Nonfarm rural nonwhite women of the same age had 4,333 children per 1,000--sufficient for doubling the population in each generation. Nonwhite urban women, in comparison, had 2,361 children per 1,000 and rural white women, 2,873.

Socioeconomic Characteristics

It is generally recognized that the average level of socioeconomic conditions in the rural Negro population has long been poor. For example, in 1959, the median family income for rural Negroes in 14 Southern States was less than $1,500. Only one-fifth of young men 25 to 29 years old in 1960 had completed high school. Less than 15 percent of rural houses occupied by Negroes had hot and cold piped water.

It is less widely-known that by most measures the rural Negroes have fallen further behind, even though some absolute progress has occurred. Recent studies have shown that for 11 measures of economic, social, educational, and housing status in 14 Southern States, the gap between the white and nonwhite population has been narrowing more often than widening in the urban population (11). However, in the rural population the gap in socioeconomic conditions has widened far more frequently than it has narrowed, especially in the farm population. This has been true of unemployment, employment in white-collar jobs, family income levels, educational attainment, size of household, proportion of children in broken homes, children born per woman, crowding in housing, availability of running water, and soundness of houses. It is clear that rural areas, especially in the South, face a strong challenge to close this socioeconomic gap in the years ahead.

SPANISH-SPEAKING PEOPLE

The recent influx of persons from Puerto Rico, Mexico, Cuba, and other areas of the Americas has changed the composition and distribution of the Spanish-speaking population of the United States. In terms of history, customs, and interests, however, the Spanish-speaking people of Arizona, California, Colorado, New Mexico, and Texas constitute a distinctive group. Until the midthirties, they had manifested strong tendencies to maintain early cultural endowments. But beginning in the 1940's, change has been a constant and salient feature of the area, including a rapid shift of large rural elements to the cities. Almost entirely rural a few decades ago, about 80 percent of the Spanish-speaking population of the Southwest is now urban and only about 5 percent live on farms (42, PC(2), 1B).

Number and Distribution

In 1960, the number of white persons of Spanish surname in the 5 Southwestern States was about 3 1/2 million. This was an indicated increase of 50 percent over 1950, but some of this increase resulted from more complete identification of the Spanish in the 1960 Census. Natural increase in the area is high and has been augmented by a small, but steady, stream of immigrants from Mexico.

The distribution of this population has been shifting since the middle 1940's. There has been a steady buildup in California where rapid industrialization of the State has resulted in a demand for workers. There also have been major shifts from rural to urban areas. The Spanish farm population of California was less in 1960 than in 1950, although the urban population doubled during the period. Texas lost numerous migrants to California although it still has more Spanish-speaking people than any of the other States of the Southwest.

Occupational Shifts

The redistribution of the Spanish-speaking people of the Southwest has been accompanied by major shifts in the occupations of the population. The most predominant shift has been from farmwork to nonfarmwork. Almost half of the employed nonfarm rural males in 1960 were in skilled or sales work while only 26 percent of the group were farm laborers.

The shift from farm to nonfarm occupations was especially marked in New Mexico and Texas where the Spanish-speaking population was concentrated in rural areas before 1950. In New Mexico, the number of this group who were farm operators and managers decreased from more than 6,200 to less than 1,700 during the 10 years, and the number of farm laborers decreased from 8,100 to 4,400. In Texas, the decrease in farm operators and managers was from 11,700 to 7,600, and in the number of farm laborers from about 64,100 to 50,700. In California, there was some increase in both groups over the same period, while in Arizona, Spanish farm operators decreased in number, but farm laborers doubled as a result of large increases in cultivated acreage within the State.

The decrease in the number of Spanish-speaking farm operators between 1950 and 1960 has been associated with an increase in size of holdings by those remaining in the farm business. This seems to have been true, particularly in the areas of northern New Mexico and Colorado, where the size of farm, and particularly in cultivable acreage, has been small. While the total number of farms in New Mexico declined from 23,503 in 1950 to 15,869 in 1960, the number of farms under 50 acres decreased from 9,052 to 4,983.

Income

Income levels for the Spanish-speaking people are well below the earnings of the general population. In none of the five Southwestern States was the median income for rural income recipients as much as $2,000 either in 1949 or 1959, and in 1959 median rural family income was more than $3,000 only in California and Arizona. Relative increases in income from 1949 to 1959 were greatest in Colorado--nearly 100 percent--and were least in Arizona where income had been relatively high in 1949. Income for farm residents increased by 90 percent in Colorado from 1949 to 1959, compared with an increase of only 8 percent in Arizona.

Weeks Worked in 1959

Unemployment and underemployment are heavy drags on earnings among the rural Spanish-speaking people of the Southwest, especially for those who depend upon nonfarmwork. In 1959, only 52 percent of the heads of Spanish-speaking nonfarm rural families of New Mexico worked as many as 40 weeks during the year compared with 67 percent of heads of non-Spanish families. This percentage was only slightly higher in Arizona and Colorado. During the same period, approximately 33 percent of the nonfarm rural family heads of Colorado, and 37 percent of the nonfarm family heads in New Mexico, either did not work during 1959 or they worked 26 weeks or less. About 13 percent of these heads were women.

Social Characteristics

Size of family.--The Spanish-speaking family in the Southwest is relatively large in size, whether urban, nonfarm rural, or farm. Census estimates for 1960 showed that two-fifths of their farm families had six members or more.

Mobility.--Before World War II, the Spanish-speaking people were considered one of the most stable groups in the Nation. Family units, especially those in rural areas, were highly integrated, extended in size, and immobile. Exchange of work, tools, and equipment was an important functional characteristic in both farm operations and farm living. Recent mobility, however, seems to be eroding these relationships. Dispersion of family members, both spatially and socially, is forcing a rearrangement of earlier patterns of association. Both farm and nonfarm families have been involved in the increased mobility. From 1955 to 1960, only 33 percent of the heads of farm families in Arizona had remained in the same house. The percentage was 72 for New Mexico and 53 for California. Nonfarm rural heads of families were even more mobile. The percentage of those who had not moved in the past 5 years varied from 35 in California to 65 in New Mexico.

Nativity.--A significant, and frequently overlooked, change that has been taking place in the Southwest during the last two decades is a marked increase in the proportion of native-born persons among Spanish-speaking people. This change has been of exceptional importance in the nonfarm rural Spanish population of California, Arizona, and Texas. From 1950 to 1960, the nonfarm rural Spanish population of native parentage increased by 11 percent in California and about 10 percent in Texas.

The change in the nativity pattern of the farm population was quite different. The percentage of native Spanish persons with native parentage increased in those States with relatively high inmigration, that is, in California and Texas. The States with high outmigration rates, however, such as New Mexico and Arizona, showed substantial decreases in the percentage of their rural Spanish population which was native-born and of native parentage. This proportion decreased by 11 percent between 1950 and 1960 in New Mexico, and by approximately 10 percent in Arizona, a change that seemed to result from the migration of the native-born farm population to the urban centers, leaving the less educated and less trained foreign-born on the farms.

Education.--Educational achievements for both the farm and nonfarm rural Spanish-speaking population lag far behind the national averages. Despite increases during the 1950's, rural Spanish males 14 years of age and over in 1960 still averaged only 6.1 years of school completed as compared with 9.2 years for the total U.S. rural population of this age. Attainment for rural Spanish females was a little higher (7.1 years). There was much interstate variation in the average school attainment of the rural Spanish population. For rural males 14 years of age and older in 1960, the average attainment varied from 8.1 years of school completed in Colorado to 4.7 years in Texas. Perhaps the most striking aspect of the education of Spanish-surname people 14 years of age and over in the rural Southwest is that more than a sixth had completed no years in school, and these people without any formal education outnumbered the high school graduates. The average education among the rural Spanish-speaking population of the Southwest is less than that of the rural Negro population of the South. It is especially low among farm men, who average only 4.6 years of school completed.

Housing and living conditions.--In much of the rural Southwest, living conditions are relatively deprived when measured in terms of family living items. A study in North Central New Mexico found that 27 percent of the rural families were still without a refrigerator in 1960, about 67 percent had no television, 60 percent were without running water in their houses, 70 percent had no flush toilet, and 74 percent did not take a daily newspaper (39). Housing throughout much of the area is far from adequate for many of the farm-operator families and is considerably worse for farm laborer families.

Health and sanitation.--The general level of health among the Spanish-speaking people in the Southwest is lower than for the U.S. population as a whole, according to Public Health Service data (46). Major problems are: Providing an adequate and safe supply of potable water, excessive distances to hospital and medical care, and low incomes that characterize so many of the rural families.

Special Problems of the Area

A number of factors have operated during the past decades to eliminate or decrease the magnitude of differences that historically have been associated with the Spanish-speaking people of the rural Southwest. Such differences, however, are significant enough to permit their ready classification in much of the Southwest as a specific group.

Social and cultural problems.--Among the cultural characteristics which still distinguish a large part of the rural Spanish-speaking people are numerous values and ideas, types of social organization, and institutional arrangements governing the more basic functions of everyday life, such as the family, types of cooperation, and everyday economic and social activities. Although these differences are eroding rapidly among the younger groups, they are still offered at least passive support through a tendency to cling to the Spanish language, through relatively poor school systems, a limited resource base in much of the area, and frequent geographic isolation. The complexity of some of the problems inherent in improving conditions is revealed in recent efforts to introduce and maintain an improved school system, requiring more funds and better teachers. These efforts have been seriously handicapped because many rural Spanish-speaking children enter school with a far more limited command of English than the American school system expects of its pupils.

However, a rapid assimilation of this group is underway. Migration to the larger cities, especially to the industrial cities of the Coast, steadily improving public school systems, better transportation and communications, all are contributing factors. Until now, change in the area has proceeded with a minimum of guidance and with little thought to long-term consequences either for the people or for the areas in which the people are concentrated. With the exception of a limited amount of training offered a few of the younger people under the Manpower Development and Training Act, little attention has been given to candidates for urban migration or to those who face major adjustment problems subsequent to moving.

Resources.--Many problems of the Southwest spring not only from scarce resources, but from complications associated with their use. Lack of water is a constant and major problem for crops, livestock, and people. Land transfers and boundary maintenance, especially for irrigated land holdings, are hindered by ambiguous land titles handed down by the Spanish Crown or by the Mexican Government, later interpreted by U.S. courts in terms of homesteading laws passed by the U.S. Congress during the latter part of the 19th century. This situation impedes those who are in a position to reassemble many of the fragmented land holdings into larger and more efficient units.

Border problems.--Special problems have developed for the Spanish-speaking population living along the Mexican-U.S. border. Many of these people are recent immigrants from Mexico and have ties with people living on both sides of the border. Mexican nationals and long-time Spanish-speaking residents on the U.S. side of the border consider these people to be quite different from themselves. Hence, their position is ambiguous with overtones of rejection by the two major cultures that surround them. Many Spanish-speaking people of the Southwest regard the border group, and especially the recent immigrants, as a barrier to their own assimilation into the larger society. The border group, especially those who are recent immigrants, are sometimes accused of impeding wage increases since they are willing to work for less and under fewer guarantees. To some degree, they have come to be a substitute "whipping-boy" for the "wetback"--the illegal immigrant from Mexico who, until a decade ago, was given relatively free access to work in much of the intensive agriculture of the border area at wages unacceptable to the local, Spanish-speaking rural labor force (35).

Migration.--The recent surge of rural, Spanish-speaking people, particularly farm people, to cities and urban industries has created certain problems for the Southwest. On the positive side, however, the migration has done much to relieve economic pressure on the land and on scarce job opportunities in many of the more rural counties. Too, it has done much to break down geographic and cultural barriers that were considered all but insurmountable by many Spanish-speaking people two or three decades ago. On the other hand, it has brought problems because many of the migrants have come to the large cities not only without skills, but without enough English language facility to permit ease of movement in the new milieu.

The impact of this movement has been great on many of the donor areas, particularly the more rural ones. Most of the migrants have been the young and the better educated; older people left behind have felt the change deeply. Many see migration as a movement of the young into a world which they not only do not understand, but in which they cannot participate. There is little effort being made to analyze these problems in rural areas, and especially in rural areas where the Spanish-speaking people are concentrated.

American Indians

The concept of who is an Indian has not been an absolute one in U.S. history. In official population counts, including those of the decennial censuses, criteria have included an estimate of the relative amount of Indian blood present, whether a person considers himself as Indian, the judgment of an enumerator of physiological features, where a person is living, and whether he is a member of a specific tribe. In the national censuses, enumerators usually have relied on the person's concept of himself, while the Indian agencies and the tribal organizations have tended to consider anyone Indian who could give reasonable proof that he had one-fourth Indian blood or more.

Number and Distribution in the United States

The 1960 Census of Population enumerated about 523,000 Indians excluding some 30,000 Eskimos and Aleuts in Alaska. This represented an increase of about 204,000 over the 1950 enumeration, but much of this increase is considered to have resulted from the use of self-identification procedures in 1960. With the exception of Alaska, a majority of those enumerated as Indian lived within the boundaries of reservations or on Government-owned land adjacent to reservations where they could receive health and other services offered by the Government.

The American Indian is by far the most rural of all ethnic groups in the Nation. The rurality of the Indian population in the States of greatest concentration ranged from a low of 47 percent in California to more than 95 percent in North Carolina. With the exception of Los Angeles and Chicago (two cities where special efforts have been made to train and locate young Indian workers in industry), the Indian population characteristically is located either in the open country or in the small towns and villages particularly common in the Southwest. The percentage of the rural Indian population living on farms is relatively small, varying from only about 4 percent in California (1960) to a high of 56 percent in North Carolina.

Growth Trends

It is probable that the current rate of growth of the Indian population is higher than for any other ethnic group. With relatively little family planning and with free public health services that have become increasingly popular and efficient in the past two decades, mortality rates have dropped while birth rates have remained high. The Navajo Yearbook reports that the annual rate of population increase on the Navajo Reservation may be more than 4 percent (48, p. 321).

Following patterns in the general population, the Indian urban population is increasing more rapidly than the rural, and the farm population is actually declining in numbers. The Indian urban population almost doubled during the 1950's, the nonfarm rural increased by 70 percent, and the farm population decreased by about 28 percent.

Economic Characteristics

Despite a wide range of differences that exists among various parts of the Nation, and among tribes even within limited geographic regions, most Indians, and especially those on reservations, live in poverty. Figures available from a recent publication of the Department of Health, Education, and Welfare show that in 1962 the average annual income for the reservation family was only $1,500 (52, p. xxiv). Data from the U.S. Census of Population of 1960 show that 73 percent of all nonfarm rural and 70 percent of all Indian farm families had incomes under $3,000. The median income for all employed Indian farm males was only slightly above $1,000 for the same year.

Many common problems are to be found among agricultural Indians of the United States regardless of tribe or location. A major one is the lack of good land with an ample and dependable supply of water. Reservation lands, made available to Indian tribes generally following forced or negotiated treaties, are almost universally inadequate in size and poor in quality. The situation has become steadily worse with the rapid population growth that persists to the present. The result has been that the Government periodically helps the people through the issuance of rationed food and goods, instead of providing them with additional land. It has produced a part-time farming situation on much of the reservation land, supplemented by relatively unskilled off-reservation work in mines, agriculture, roads, irrigation projects, public works, and, more recently, many small industries.

Poor and inadequate tribal resources, fluctuating demands for labor, plus some desire to spend a part of each year on the home reservation have made seasonal workers out of much of the employable Indian labor force. Thus, underemployment and seasonal unemployment are perennial problems for the many Indian workers who have limited training, work experience, and education. In 1959, approximately 31 percent of the heads of nonfarm rural and 23 percent of the heads of farm families did not work, while 20 percent of each of these groups worked only 1 to 26 weeks during the year. Estimates of the Bureau of Indian Affairs for 1962 were that the unemployment rate for the reservation population ran from about 40 to 50 percent, or 7 to 8 times the average for the Nation.

Social Characteristics

The rapid rate of increase of the American Indian population is reflected in the size of family. Rural families are especially large. In 1960, about 38 percent of all nonfarm rural and 43 percent of all farm families had 6 members or more. Comparable figures for the total U.S. population for the same year were 16 to 19 percent, respectively.

Although still a relatively stable population geographically, the economic situation at home and the development of more jobs elsewhere have increased the mobility of the rural Indian, within somewhat fixed spatial limits. Both farm and nonfarm rural males are moving about more in seasonal searches for both farm and nonfarm jobs. This trend has been encouraged by the Bureau of Indian Affairs and the U.S. Employment Service. In 1960, the census enumerators found some 45 percent of nonfarm rural and 42 percent of farm family heads living in a different house from that occupied 5 years earlier. Although many of these heads probably did not consider their new residence as a definite and permanent break from their places of original residence, such data showed the increased amount of movement that characterized the group.

Education.--A major barrier to Indian achievement is the relatively low educational attainment of both males and females. In 1960, the median number of years of school completed by rural Indians 14 years of age and over was 8.0. Indian farm residents average about 1 year less than do nonfarm rural Indians. For farm males of the same age group, the range was from 3.7 in New Mexico to 8.6 years in both California and South Dakota. Attainment for the females was much less. Nonfarm rural Indian females 14 years of age and over ranged from 6.3 years of school completed in Arizona to 9.1 in California. For farm females, the median number of school years completed ranged from a low of only 1.8 in Arizona to 8.9 years in California. Many of the Indians in the Southwest, and especially those who live in rural areas, not only have little or no formal education, but also have little or no knowledge of English. This is most strikingly evident on the Navajo Reservation in Utah where the median education is less than 1 year. Even those who manage to complete a few grades of formal schooling retain little of what they have learned in school after brief periods of return to their homes in isolated sections of reservations.

Housing and living conditions.--Much of Indian housing, both rural and urban, is inadequate when measured in terms of recognized standards. In the Southwest, where the bulk of the reservation population still lives, much of the rural housing has changed little in type since the coming of the Spanish in the early 17th century. A substantial portion, including most of the approximately 80,000 Navajos, has not been influenced greatly by patterns introduced by European colonists.

A recent study by the Department of Health, Education, and Welfare found that:

> Nine out of ten Indian families live in housing that is far below the minimum standards of comfort, safety and decency. One or more large families live crowded together in one or two-room hogans or cabins. Dwellings have no nearby water supply, no sanitary facilities, no safe or adequate means for heat, no electricity, often no flooring except the bare earth. More than half of the American Indians and Alaska Natives live in one or two room dwellings, the majority constructed by themselves from indigenous materials (52).

Health.--The levels of sanitation and health practices for rural Indians, which are far below those of the general population, are reflected in their rates of mortality. In 1962, the Indian infant mortality rate was about 42 per 1,000 compared with only 25 per 1,000 in the general population. Although the life expectancy for the Indian population at birth increased by approximately 11 years between 1940 and 1962, it was still 8 years less than for the general population.

The rural Indian has many health problems. Parts of the problems are economic. But the Indians themselves present imposing obstacles to effective efforts to improve their health conditions and health practices. As pointed out in a recent study of Indian health in Arizona:

> "Because the Indian and his native culture still co-exist in the Southwest, medical services must be tendered not to the Indian as a United States citizen but to the Indian as a member of another culture. In other words, medical services must be translated, as well as tendered, in order to achieve acceptance." There are still "...the great cultural gaps that separate native Indian culture from the modern American culture. There is no science that tells us how to bridge these gaps (19, pp. 131-136)."

Special Problems

The important problems facing a majority of the Indians on reservations are poor and inadequate resources, lack of knowledge and skills to take full advantage of local and off-reservation opportunities, and a way of life, custom, and belief that is still different from the dominant national pattern despite almost a century of intermittent effort on the part of the Federal Government to bring about assimilation. Many of the Indian tribes, especially those in the Eastern and Central United States, have abandoned most of the unique traits of their ancestors. This has been much less so in the Southwest where large Indian groups, especially the Papagos and the Navajos, are still distinctive in language, custom, and general pattern of life. These groups still depend upon white traders, white officials, and educated members of their own group for most communication with the outside world.

A wide variety of studies by specialists in the social sciences and officials of the Bureau of Indian Affairs and the Division of Indian Health (Public Health Service) indicate, however, that a definite turning point has been reached between assimilation and group desire to maintain cultural identity. Children are being encouraged by parents and elders to attend school rather than to hide out from truant officers and teachers. Tribal funds are being utilized to improve local schools and to sponsor higher education for Indian children who show ability for and interest in higher education. As Robert Young, long-time student of the Navajo, has observed, "The Tribe is keenly aware of the need for cultural change and is consciously thinking and planning for the future, utilizing Tribal funds for the promotion of its plans for improvement rather than distribute them on a per capita basis" (48, p. 574). Outside of general agreement on the importance of education and the development of natural resources, however, there is still little valid knowledge on the best way to bring this change about, especially within the length of time desired by Indian leaders.

Other Minority Groups

Puerto Ricans

One of the better known characteristics of the Puerto Rican population is its rapid increase during the past few decades. In addition to doubling its own population in the last 40 years, the Island of Puerto Rico has contributed more than 600,000 immigrants to the continent. In 1960, the Census of Population estimated that the Puerto Rican-born U.S. mainland population was approximately 26 percent of the size of the Island population, while the number of Puerto Ricans in continental United States who were born in Puerto Rico, or were children of parents born on the Island, was about one-third the size of the Island population.

This migration has been a highly selective one containing a relatively large number of male persons from the younger age groups and from rural areas of the Island. The latter is reflected in the fact that while the urban population of the Island increased about 16 percent during the 1950's, the rural population decreased by about one-half of 1 percent, even though the rural population of the Island has a higher reproduction rate than the urban.

Although largely rural in background, the Puerto Rican migrants have, for the most part, gone into the larger cities of the Eastern Seaboard, especially into greater metropolitan New York. Out of a total of 892,000 Puerto Ricans, by birth or by parentage, enumerated in continental United States in 1960, only 2,800 were considered as farm; about 70 percent were living within the confines of New York City.

Many special problems attend the Puerto Rican rural population, both in the Island and on the mainland. Birth rates, although declining, are still relatively high, as are the rates of mortality. Incomes are still lower than the incomes of comparable groups in mainland United States, and lower than in certain Latin American countries such as Argentina and Chile. Educational levels also lag behind those for the general population. The median grade of school completed by rural Puerto Ricans 14 years of age or over living on the mainland was 9.1 years for males and 9.4 years for females in 1960. For the farm element, it was 5.7 years for males and 8.2 years for females. These levels were still lower on the Island--only 4.8 years for rural males in 1960 and 4.5 years for rural females.

Rural mainland Puerto Ricans do mostly farmwork. U.S. population data show that 47 percent of the employed nonfarm rural Puerto Rican males and 84 percent of the employed farm males 14 years of age and over were employed as farm laborers or foremen in 1960. Median annual incomes for these groups were $2,000 for nonfarm males and $1,478 for farm males.

Underemployment and unemployment have been major problems of the rural population of Island Puerto Rico, especially before the Island's "bootstrap" operations which began in the late 1930's to encourage industrial development of the Island. Progress in this direction is reflected in 1960 population figures indicating that some 44 percent of the rural employed male population is employed as farm laborers or as farm foremen. The median annual income for the entire group was low--approximately $658 for employed males and $258 for employed females. Of all rural persons 14 years of age or over in 1960, approximately 62 percent reported that they had not worked at all for pay in 1959.

The rate of economic and social progress achieved by the Commonwealth of Puerto Rico since the 1930's has been widely recognized in Latin America. The effects have been visible in rural as well as in urban areas. Perhaps the field of education is one of the most noteworthy in which major progress has been made. Whereas 50 years ago most of the rural population of the Island 10 years of age or more was illiterate, almost 80 percent of this total group could read and write in 1960. For those 10-14 years of age, the percentage was 90 for rural males and 93 for rural females, indicating that the possession of these skills is becoming common among the younger age groups. The inability to speak English has been a handicap for the Islanders, not only for those who eventually migrate to the mainland, but for the many who are involved in a school system modeled after, and borrowing heavily from, the school system of the mainland. Much of this handicap is being removed by heavy emphasis upon learning English as a second language at all school levels. In 1960, the Census of Population reported that 28 percent of all rural Puerto Ricans on the Island 10 years of age or over could speak English, with the younger school children possessing the skill with greater frequency than other groups.

The impact of the migration from Puerto Rico to mainland United States has created problems at both the donor and the host sites of the migration. Since the point of debarkation has been almost exclusively New York, the heaviest concentration of the migrants, both urban and rural, is in this area. In 1950, about 80 percent of all the migrants were living in the neighborhood of New York City, and the percentage had declined by only 10 points in 1960.

Puerto Ricans on the mainland, as well as on the Island, have suffered from many effects of the abnormal age distribution resulting from migration. This has been true especially for the rural population. In Puerto Rico, almost all youth to middle-aged groups show deficiencies of males since most of the migrants have been males in the age group 20 to 45. On the mainland, however, there are relatively more males. Of the 2,800 farm Puerto Ricans enumerated in the United States in 1960, more than 2,000 were males. In the more marriageable age groups, 20-34 years, of 987 farm Puerto Ricans enumerated, only 130, or 13 percent, were female.

Certain types of problems result from the fact that many, if not most, of the migrants, especially the rural migrants, regard their stay in the United States as temporary; that is, they expect to earn and save enough money during a few years on the continent to enable them to return to the Island where they can purchase a small tract of land or establish themselves in some sort of small business.

Such attitudes are barriers to efforts at adaptation and to establishing the migrants permanently.

Rural French-Speaking People of Louisiana

The French-speaking people of Louisiana constitute one of the largest ethnic groups of the Nation. Despite relatively frequent and close contact with other groups, these people still retain some of the cultural elements of their colonial forefathers from both Canada and France, including language, religion, systems of agriculture, and pattern of agricultural settlement. Much of the French-speaking area of Louisiana is rural, and although urbanization and industrialization have done much to induce change during the past few decades, extensive areas still retain many rural characteristics. The concentration of this population, especially the rural elements, is within geographic limits that form a rough triangle in southern Louisiana. The apex of the triangle is at the juncture of the Mississippi and the Red Rivers and the base runs along the Gulf Coast from the westernmost end of Cameron Parish to the southeast corner of the State.

It was estimated in 1937 that there were approximately a half million French-speaking people inside the limits of this triangle, and it is likely that the number has not changed drastically (38). Migration from the area has probably compensated for most of the population increase that would have come about through local reproduction rates that are somewhat higher than those for the rest of the Nation.

Many of the special characteristics that have historically identified the French-speaking people of Louisiana are now disappearing. Increased contacts with other ethnic and cultural elements, and the spread of urbanization and industrialization into even the most remote rural areas, have leveled many differences that once set these people apart as unique in the State and in the Nation. Problems of the area are coming to be regarded as area problems rather than ethnic or cultural.

Educational levels of the people of this area are relatively low, especially for the French-speaking elements. In a study of two counties in the area, Bertrand and Beale found that the heads of non-French-speaking households of English-language background averaged 7.0 years of schooling, those of French background but using English averaged 7.6 years of school, whereas those who spoke French in their homes averaged only 5.2 years of schooling (4). These differences seem to be more salient for the older groups who use French more widely and more consistently.

Income is relatively low for the area, both for rural and for urban families. This is particularly true for farming where units are, in general, quite small. Bertrand and Beale (4) found that incomes of French-speaking families were lower than for others in Pointe Coupee and Evangeline Parishes, about 60 percent of the families reporting incomes of less than $1,500 in 1959.

Despite evidence of rapid assimilation into the dominant cultural landscape, there are still many areas in which the French-speaking group can be identified. One of the more obvious is the continued use of the French language. There are other features of importance including the system of farming, the long, string-like settlement patterns that still characterize many of the farming areas, and distinctive values and attitudes particularly marked in rural areas.

Japanese

Of the approximately 464,000 Japanese in the United States in 1960, some 18 percent were rural and 5 percent on farms. Most of these people were in California and Hawaii. About 83 percent of the rural and 74 percent of the farm Japanese population were in these two States in 1960.

A large proportion of the rural Japanese engaged in agriculture are either farm operators or farm managers. Fifty-five percent of all rural Japanese agriculturists were farm operators or managers in 1960, as compared with 66 percent of all rural agriculturists in the total population. A large portion of the Japanese farmers operated small vegetable, fruit, or flower-producing farms, especially in California. When the Japanese farmers were dispersed during World War II, many of them carried their system of agriculture with them.

Earnings for the rural Japanese, both farm and nonfarm, were relatively high in 1960. The median annual income for all rural Japanese males was about $3,300. The median of $3,542 in Hawaii was appreciably above that of $2,835 in California. In California, Japanese on farms have achieved a higher average income than other rural Japanese, but this situation is not true of the United States as a whole.

Educational achievement is prized highly by the rural as well as by the urban Japanese. U.S. population figures for 1960 reported that the median number of years completed in school by the nonfarm rural Japanese male 14 years of age or over was higher (11 years) than for the same group among the general population (9.5 years). There was even greater disparity between farm Japanese males 14 years of age or more (11.4 years) and the same group in the general population (8.8 years). About the same educational advantages were obtained for the rural Japanese females. Educational attainment for the rural Japanese was about 2 years more in California than in Hawaii.

Income levels, educational attainment, occupational structure, and other phenomena indicate that the rural Japanese population enjoys relatively high socioeconomic status both in Hawaii and on the continent. Thus, in terms of general well-being, they occupy a position in American society that, in many respects, is enviable. Most of their problems, as they themselves appear to view them, are social rather than economic in nature. Although they have never regained more than a part of the property lost through displacement from the West Coast during World War II, many of them have returned to the Coast, but many also have obtained new holdings elsewhere. There are still many State and Federal statutes limiting the use and ownership of property by Japanese who have never obtained U.S. citizenship, but these are becoming relatively unimportant as the population is more and more a native-born one.

Chinese

Most of the original Chinese immigrants to the United States were agricultural by occupation, but unlike the Japanese who came somewhat later, they soon began a migration to the cities that has left only a small number in rural areas. Of some 236,000 Chinese enumerated by the 1960 Census of Population, only 10,000 were reported as rural and 1,300 as farm. Like the Japanese, most of the farm population is made up of relatively small operators who produce mostly fruits and vegetables for large city markets. Chinese farm families earn slightly more than the Japanese farm families, partly as a result of somewhat larger farm units. The median income for all Chinese nonfarm males in 1959 was $2,918, and $3,262 for farm males. Thus, although it seems that farming is not a favorite occupation of the Chinese, those who are in the business do relatively well at it.

Problems that beset the rural Chinese are quite similar to those described for the rural Japanese although with some accentuation. There are many who claim that farming is basically a highly valued occupation among the Chinese but that social problems, and those associated with the use and ownership of land, have pushed many of the younger Chinese into the cities.

Filipinos

There were 181,000 Filipinos counted in the United States in 1960. The Filipinos are a long-established population in the Nation. Large numbers came to the United States during the second half of the 19th century and continued coming into this century. The targets for most of this migration were California, particularly along the coast from San Francisco to Los Angeles, and Hawaii. In 1960, 82 percent of rural Filipinos were concentrated in Hawaii and California. About 25 percent of the total Filipino population was classified as rural in 1960, about 4 percent farm.

The Filipino population seems to share many of the major characteristics of the Spanish-speaking groups of the United States. Many have Spanish names. Large numbers are in the unskilled and semiskilled labor categories, both in agriculture and in industry. Many have shifted their residence during the past few decades from rural to urban. About 74 percent, in comparison with 69 percent of the Spanish-speaking population of the Southwest, was reported in urban areas in 1960.

Income levels of the Filipino population in 1960 were above those of the Negro and the American Indian, but were less than those of the Japanese and the Chinese. The median for nonfarm rural males was $2,600 and for farm males just over $2,000.

Educational achievements for the Filipino population generally are low, especially for the rural elements. In 1960, the median number of years in school completed by the nonfarm males of California was 7.4 years and for Hawaii, 3.5 years. Years completed by farm males 14 years of age and over was 5 years in California and 2 in Hawaii. These figures were lower than for any other ethnic group, including the Negro and the Indian.

Except in Hawaii, the problems of the rural Filipino largely are those of the hired farm laborer or food processor with high rates of unemployment, frequent migration, and relatively low earnings. Not only are general educational levels low for the population, especially among the rural people, but their level of skills is also low.

ELDERLY PERSONS

The special problems of older people and public awareness of an increasing number and proportion of them in America are not new. The U.S. population has, in fact, been aging continuously for the last century, but the pace has accelerated during the past half-century. In 1850, about 3 percent of the population in this country was 65 years of age and older; 100 years later, it was 8 percent; in 1960, it was 9 percent. In 1950, the highest proportion of older persons in the total population was among nonfarm rural residents and the lowest was farm; urban residents held an intermediate position. The situation in 1960 was reversed within the rural sector, the farm population had the highest proportion, nonfarm the lowest; urban population was still in an intermediate position.

Public concern about providing for a steadily aging population began to be manifested some 25 years ago when numerous pension plans were widely discussed. The Social Security Act of 1935 marked the beginning of Federal assistance on a nationwide scale for the older citizens, among others. Since that time have come Old Age and Survivors Disability Insurance (OASDI), Old Age Assistance, and, along with them, many private and industrial pension systems to provide security to people of advanced age. The need for this kind of assistance can be gaged by the tremendous growth of the OASDI which in 1948 covered with retirement income only 1.5 million, or 13 percent of the total of 11.5 million persons 65 and over. By the end of 1962, OASDI payments were going to 12.5 million persons in this age group (31).

The problem of providing some measure of security to an aging population reaches all parts of the country and all residence sectors. It is an outgrowth of many factors, touching the lives of older Americans everywhere and changing customs and practices of former years because the society itself has changed. Urbanization and industrialization, rapid social change, increased mobility, greater institutionalization of many functions that once were personal and family responsibilities have contributed to the changing scene for our older population. Also involved are the advance of technology, automation, longer life expectancy, and lower mortality rates, all of which have changed the character and dimensions of security and protection of older people who can no longer work and have inadequate personal resources to provide for themselves.

Number and Location

There were, in 1960, more than 16 million people 65 years of age and over in the United States. About 30 percent of them were rural residents (22 percent nonfarm, 8 percent farm), or nearly 5 million people. Among all low-income families in the United States in 1959 (under $3,000 annual income), more than 30 percent were headed by persons 65 years old and older. This proportion is about the same in both urban and rural areas.

The predominance of older heads of rural low-income families is relatively least noticeable in the South where a person 65 or over heads 25 percent of the poor families. In the non-south, this proportion averages 35 percent. Because a large number of low-income families are found among older age groups, the relative importance of the problem of rural poverty enlarged during the 1950's as the proportion of elderly persons in the population increased. This was due both to the aging of the population associated with better health and to the outmovement of many younger rural families. (3, p. 24).

Educational Attainment

Low educational achievement of older people in rural areas has undoubtedly been a limiting factor in their earlier life in terms of economic and social betterment and restricts their horizons in later life. The median number of school years completed by rural men 65 and over was less than 8 years, slightly lower in 1960 than for urban men in that age group, but about 4 years lower than for young-adult men (25-29) in either the rural or urban population. The pattern for rural women was similar.[11]

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[11] Youmans, E. Grant. Social and Economic Status of the Rural Aged. Unpublished report of the Economic Research Service.

Employment

Employment declines rapidly after age 60 as retirement occurs or poor health forces withdrawal from the labor force. Between the ages of 55 to 59 and 65 to 69, half of all employed rural men withdraw from the labor force. Only 43 percent are still employed at ages 65 to 69, a figure almost identical with urban areas. Beyond age 65, farm men show twice the employment rate of nonfarm rural men. But this difference results largely from the fact that many farmers leave their farms when they retire, but remain in rural residences. This fact serves to keep the employment rate of farm residents high while reducing the rate for the older nonfarm rural population. Women are less frequently employed at all ages in rural areas than in the cities.

Women do not have a high rate of full-time employment from age 45 on. In 1960, the range at age 45 was from 18 percent for farm women to 27 percent for nonfarm rural, and 35 percent for urban women. There was a sharp drop for all three groups at the 50-54 age level.

Annual Income

On the basis of median annual income reported for 1959, urban males at middle age had twice as high incomes as farm males at this age; nonfarm rural males held an intermediate position between the two. The difference of $1,230 between urban and nonfarm rural incomes at middle age was only about half that much, or $600, at age 65 and above. At middle age, nonfarm rural income was $1,557 higher than farm, but at age 65 and over, farm income was $66 more than nonfarm. The curve for urban and nonfarm rural groups went down steadily, taking a marked downward path at about age 55; the curve for farm males which started at the lowest level of the three went down steadily but more gently. The median income level for all three residence groups at 65 and over was below $2,000, a drop in urban incomes from middle age of $3,562, but still the highest of the three groups. Nonfarm rural income dropped $2,942 between these two age periods, and farm income, which started at a much lower level, dropped $1,319.

The median income pattern for women was similar to that of men except that the level of income at middle age started much lower. At both middle and old age, the gap between urban and rural women was greater than between nonfarm rural and farm women, but at age 65 and over there was little difference. At middle age, urban women had more than twice as much income as farm women, the difference being $1,248, but at age 65 and over urban women had only about $200 more. The drop in income between middle and old age was substantial for all three residence groups of women. (See reference listed in footnote 11.)

Housing

The limited data on housing of aged persons in the United States permit few rural-urban comparisons. According to the 1960 housing census, the percentage of home ownership among the rural elderly was high. Of all farm dwellings occupied in 1960 by a household head aged 65 and over, 88.4 percent were owner-occupied; for nonfarm rural dwellings, it was 78.8 percent.

Housing of the rural aged in 1960, however, was substantially poorer than that of the urban aged. In rural areas, only 46 percent of farm households headed by persons 65 and over, and 52 percent of nonfarm, had housing that was considered sound and had all plumbing facilities. The urban figure was 70 percent. A larger proportion of rural than of urban households headed by this age group had housing that was dilapidated and lacked piped water.

Public planning for the housing needs of older people, especially in rural areas, is complicated by several factors. Outside of cities, large housing projects are impractical because of the sparseness of the population. Housing for the elderly must accommodate those in a stage of the life cycle in which many are widowed; some will, of course, be elderly couples, but there will also be single persons, the widowed and divorced of both sexes. There is a proportionately greater number of women among the older people because of their longer life span. All need to have medical care and other social services nearby. There is variation in the ages of those needing housing aid because age 65 is an arbitrary figure used here and elsewhere; many will be older than that, many younger, who need assistance with housing arrangements in their later or retirement years.

Psychological Problems

While retirement from productive activity poses difficult adjustment problems for many people, it is probably especially acute for rural people because the normal outlets for enjoyable and worthwhile use of leisure time are so limited outside of towns and cities. People who have been active until age 65 need to continue to feel useful and wanted, to be independent and self-reliant, and should have opportunities to use their leisure time constructively. Organizations, clubs, associations, schools, churches, and community projects could use to advantage the mature assistance of these people, but most activities of this sort are found in urban places.

The special needs of older people among minority groups in rural United States are similar to those discussed above except that they are accentuated by deeper disadvantage. They tend to have the lowest incomes, the poorest education and training, unsatisfactory housing, and lack of access to social services and facilities.

Programs Now Available

Public awareness of the growing needs of the senior citizens of the United States is manifest in recent Federal legislation, notably Medicare and various programs provided in the Economic Opportunity Act. However, Community Action Programs of the Office of Economic Opportunity, part of the arsenal in the war against poverty, were started in areas of high population density where more people could be reached with limited funds and scarce trained personnel. The new Manpower Development and Training Act, providing for on-the-job upgrading of skills for all age groups, presupposes a job which would make ineligible the great majority of the rural elderly who are in partial or full retirement. The Department of Agriculture has been active in assisting rural people to enroll in Medicare, a program of importance to those aged 65 and over.

There are agencies and services of the Department of Agriculture and the land-grant colleges and universities which are available for direct assistance to rural people. Some can be adapted to give special help to the elderly. The Farmers Home Administration can offer modest loans under Title III of the Economic Opportunity Act and is able to give assistance in the acute problem of housing under the broadened Housing Act of 1949. This latter program attacks one of the most severe problems of the older rural people, and its loans can be used for rental housing, for construction of new homes, or for improving those already owned.

Extension services of the Department of Agriculture and the land-grant colleges provide information and guidance for rural people and certain activities in which older people can participate. Of special relevance for this age group are bulletins which offer guidelines on planning for retirement, financially and otherwise, buying and preparing of food to assure proper diets, prevention of mental and physical health problems, and consumer education in a number of fields including food, clothing, and home furnishings. Extension classes, designed to teach refinishing of furniture, use and preservation of surplus foods, sewing and other handwork, are valuable for older people as both participants and volunteer leaders, if they live near enough to the centers where the classes are conducted (51).

There are also private agencies that offer many services and facilities which help in the adjustment problems of older people. A difficulty for the rural elderly is that they are often isolated from the center of activities that could benefit them. Those who are handicapped by poverty as well as isolation may not even be known by people and agencies that could help them enrich their lives.

The physical needs of older people can probably be dealt with more easily than the psychological problems of isolation, loneliness, dependency, and boredom. To be of maximum help, programs must be designed to insure participation of older people in activities to which they can make a contribution, feel wanted and needed, and potentially develop leadership in them.

AREA POVERTY

One approach to the question of where the rural poor live is to delineate geographic areas in which rural poverty is known to be concentrated. Such areas include all or part of 12 States in the Appalachian Region; the Ozark and Ouachita Mountain areas of Missouri, Arkansas, and Oklahoma; the northern counties of Minnesota, Wisconsin, and Michigan; most of rural New England; the Piedmont and Delta areas in the South. These areas are recognized by State and national governments as needing considerable development assistance.

The Appalachian Region is a large geographic area and has a high concentration of rural poverty. The Region is more than half rural, but less than 10 percent farm. Agriculture does not flourish in much of the area, and industry has been declining as a source of nonfarm income. The land is generally poor for crops, but will support some livestock production. Primary needs of the area are new outlets for steady off-farm employment and better social services and facilities of all kinds, a common denominator of all poverty areas.

The Ozark Region is also suffering from a poor land base for crop production. Much of the area is in forests which could be further developed for timber and wood products. Industry is needed for nonfarm employment. Much of the Upper Great Lakes States Region and rural New England have land unsuited to profitable agriculture and need industrial outlets for the rural population, together with better housing, improved education, health, transportation and communication, and other services and facilities. These "lagging regions" will be discussed in greater detail in a later part of the report.

Those in poverty in the South, both white and nonwhite, include cotton and tobacco farmers and farm laborers in the Piedmont, the Delta, and other parts of the South and Southwest, an area stretching from Texas and New Mexico to southern California. They include migratory workers who follow the crops in season, some from south to north along the eastern and western seaboards. There are also disadvantaged farmers in the Atlantic Coastal Plain, and nonmigratory farmworkers at extremely low wages in all of these areas. Of the 250 U.S. counties in which rural families had the lowest median incomes in 1959, all but 3 of them were in the southern half of the Nation (5, pp. 39-46). A large proportion of the rural poor in the South are farmers and wageworkers, many of whom have been displaced by mechanization, and adequate off-farm employment has not been available to take up the slack. The rural poor include the Negroes who are principally in the South, the American Indians on reservations in many parts of the Southwest and other Western States, the Spanish-Americans mainly in the Southwest, and the French-speaking people in Louisiana.

Finally, there are the rural poor who, for a variety of reasons, have not been successful in farming or some other rural enterprise, but are living among relatively prosperous neighbors in nondepressed areas.

How is rural poverty different from urban poverty? In many ways there is little difference; the rural and urban poor have many of the same characteristics. However, rural poverty is unique in its magnitude, geographic distribution, and relative insulation from the mainstream of the economy. Because of dispersed residence and sparse population, rural poverty is relatively unobserved by the general public.

Rural poverty is caused mainly by a long-term, secular, structural change that has reduced employment in farming and in relatively stable or even declining area nonagricultural jobs. This situation has been accompanied by high birth rates. Adjustments requiring mobility by rural people are made more difficult by limited occupational experience, by other obstacles to mobility, and by problems of a shrinking rural population and tax base. These conditions have created the large geographic areas in which a major proportion of the population suffers from prolonged poverty. Circumstances of this kind make it difficult for rural local governments and organizations to deal with problems of poverty. In contrast, most urban centers have poverty pockets or slum areas existing side by side with affluence and with a great deal of organization, governmental and nongovernmental.

Rural poverty is of special concern since much of the Nation's total problem originates in a rural seedbed. For several decades, farm and nonfarm rural people have fed into urban centers. From 1950 to 1960, taking into account the 1960 change in census definition of farm residence, the movement of farm population to nonfarm areas was probably of the order of 1 million annually. These migrants were mostly young; many had relatively low levels of educational attainment, limited skills and occupational history, and few economic resources.

Considerable work has been done in identifying and locating the rural poor and in pointing out some problem relationships. But basic human poverty problems, their income and welfare interrelationships, the dynamics of change, and the relevant socioeconomic causes have been relatively neglected in research. To overcome the existing knowledge gap is a requirement and a legitimate objective of an all-out attack on poverty. This should include: Analyses of the principal area poverty typologies, in which poverty characteristics and their causal relationships would be investigated; analysis of well-being of various rural groups; and inquiries into techniques, organization, management, and effectiveness of program approaches.

ECONOMIC DEVELOPMENT IN RURAL AMERICA

NATIONAL AND REGIONAL POLICIES

Historical Review

Because early America was largely a rural America, rural-oriented policies were important in the economic growth and development of the young Nation. National policies affecting rural people were policies designed to yield direct benefits to farm families and others who were striving to settle the land and develop existing natural resources. Later, policy issues of rural people shifted to the problem of controlling farm output. As population shifted from agriculture, and in other cases from extractive industries based on natural resources in rural areas, the problems facing entire rural communities began to merge with those of farm people facing declining employment opportunities. Measures which were enacted to enhance economic opportunities for rural people resulted in greatly expanded production of food, fiber, and raw materials for industry. With a growing need for labor in nonland-oriented production, rural areas became important suppliers of this labor. Rural areas and communities did not always share locally in the growing employment opportunities.

National policies during the early years of the Nation did much to shape the allocation and development of underemployed resources in the economy and to promote continued prosperity and growth. From colonial days until the turn of the 20th century, policies were heavily oriented to the settlement and development of land. Land was one of the few resources which the country had in abundance. Thus, policies in the early history of the country provided land for the development of a transportation network to serve a sparsely settled population. The subsequent development of railroads, canals, and much later, with substantial assistance from the Federal Government, highways brought an important new dimension to the development of agriculture and commerce. The settlement of land in 160-acre tracts for farming was brought into reality by the Homestead Act of 1862.

National policies which expanded land used for agriculture were primarily responsible for increases in agricultural productivity prior to 1920. Expansion in agricultural output during that period rose in nearly direct proportion to the increases in cropland acres harvested. Increases in agricultural production since 1920 have come largely as a result of shifts which have occurred in farm inputs and improvements in farming methods resulting from increased research and educational activities. Public investments in agricultural research and in the provision of increased services to rural people have paid dividends in terms of an improved commercial agriculture. Farm output during the 25 years from 1935 to 1960 increased more than in the 60 years previous to 1935. Approximately three-fourths of the increase in output resulted from increased productivity and only one-fourth from the use of additional production units. Most of the land suitable for cultivation was in use prior to 1920. Labor inputs in agriculture were cut in half during the past 25 years, but capital inputs were about tripled (9, pp. 4-5).

The Act establishing a Department of Agriculture in 1862 helped to meet the expanding needs of rural people. Activities of the Department of Agriculture in administering policies and programs were shaped by successive legislation. The Smith-Lever Act of 1914 established the Agricultural Extension Service. The Federal Land Banks and Farm Credit Administration have helped to meet the needs of commercial farmers in adopting new technology and in improving the efficiency of their farming operations. Rural free mail delivery and the Rural Electrification Administration have brought services to rural areas a step closer to those available to urban groups.

Urban people have indirectly reaped substantial benefits from public policies promoting the development of agriculture. First and foremost, urban people have had the assurance of an adequate supply of food and farm products at reasonable prices. The activities of the Food and Drug Administration have helped to regulate the quality of the food supply and to establish grades and standards for farm food products. Regulation of trade standards through such measures as the Packers and Stockyards Act and administration of food to needy people through a Food Stamp Plan and a School Lunch Program have helped to improve the well-being of urban consumers.

The increased productivity of American farms resulting from investments in research and development in agriculture has helped to provide many skilled workers to strengthen the nonfarm economy of the Nation. During the past 25 years alone, 1 million farm people a year have left farms. Large numbers of these were adults of working age. In periods of generally full employment, their availability for work has been of great importance to nonfarm industries. Urban areas have often benefited from this ready supply of workers and have borne little cost in educating these people.

The availability of large quantities of land for development contributed substantially to the early development of the farm and nonfarm economies. With limited amounts of good new land for cropland purposes, new ways for expanding output were developed which added further benefits for farm and nonfarm people. Increased production per acre and relocation of population in urban areas now present new alternatives in the use of land for recreation and conservation. Further rural activities which can benefit urban people include improvements in the quality of land and water resources and in the versatility of their use in meeting recreational needs of urban people, and in combating problems of air and water pollution.

Perhaps now, more than ever before, two sectors can be seen emerging in agriculture, one expanding and the other contracting (28). The expanding sector consists of approximately 1 million farms with gross sales of $10,000 or more annually. The contracting sector includes about 2 million farms with annual gross sales of less than $10,000. Those national policies oriented to a growing and prosperous commercial sector of agriculture differ from those which attempt to improve economic opportunity and well-being in the latter sector.

Rural communities that have been heavily dependent upon agriculture as a means for support of business activity have seen this activity decline with decreasing numbers of farm people and with improved methods of production, processing, and distribution of goods and services. Improved methods of transportation and communication have reduced the role of many small rural communities. Larger rural communities which have stable or expanding business activity have found that continued growth and prosperity depend upon obtaining employment opportunities from new industries to replace those in which employment opportunities are limited. Limited local revenues combined with rising costs and standards make it increasingly difficult for rural communities to provide the quality of schools, parks, hospitals, and cultural activities that are attractive to new industry and people. Often these communities lack adequate water and sewage-disposal systems. Educational resources may have been limited to the point that young people in the community are poorly equipped to serve the needs of an expanding community or to compete in job markets outside the community.

The Federal Budget

Monetary and fiscal policies which encourage overall economic activity and reduce or eliminate business recessions play an important role in expanding employment opportunities. It has been estimated that when nonfarm unemployment was reduced from 7 to 3 percent, off-farm migration would increase by 15 percent of the farm population per decade.[12]

Approximately 85 percent of the Federal budget goes for the purchase of goods and services for defense. Slightly more than 1 million civilians and about 2 1/2 million military personnel are employed by the Federal Government. The location of defense establishments, personnel, and the purchases of industrial products and services have substantial short- and long-run impacts on communities. Those which have served or are serving as centers of military activity or missile and space research centers have benefited from substantial increases in economic activity and employment opportunities. Research and development contracts going to centers of research and education are providing new impetus to the economy of certain areas. Increased revenues from public and private spending provide new community revenues for the development of better schools and needed community facilities such as hospitals, parks, civic centers, streets, and improved water and sewage-disposal systems.

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[12] Sjaastad, Larry A. The Profile of Rural-Urban Migration. 1965. Unpublished report of the Economic Research Service.

New measures to help needy groups and communities which have not benefited from increased economic activity generated by the private and public sectors of the economy are receiving increased attention. Several new programs have been forthcoming in in recent years which have been designed to meet the needs of these groups and their communities.

Recognition that redevelopment of distressed areas and improvements in quality of education and community facilities was a matter transcending local community interests led to the adoption of the Area Redevelopment Act in 1961. The Act provided Federal assistance to qualified "redevelopment areas" in meeting the needs for new job opportunities and retraining the unemployed. The measure provided loans for the development of land and buildings for industrial purposes and for improvement of community facilities. Federal assistance for retraining unemployed individuals in qualified redevelopment areas and unemployment compensation during the retraining period were provided in the Act.

Federal assistance to retrain unemployed people was greatly expanded by the Manpower Development and Training Act of 1962. The Area Redevelopment Act had recognized the importance of providing for retraining unemployed persons in designated redevelopment communities. The Manpower Act provided nationwide opportunity for occupational training administered through existing State vocational education agencies under the general supervision of the U.S. Department of Health, Education, and Welfare. The Youth Employment Opportunities Bill was designed to meet the training and employment needs for limited numbers of young people through selected local works programs.

Experience with the Area Redevelopment Act revealed the need for coordinated plans for economic devèlopment which extended beyond local community boundaries to include the resources of an entire area or region. At the time of this writing, a bill is being considered by Congress which would authorize grants for comprehensive planning for public facilities and development in Community Development Districts approved by the Secretary of Agriculture after consulting with State and local officials.

The Appalachian Regional Development Act of 1965 provided for the planning and development of resources, public facilities, and employment opportunities on a regional basis. The scope of this Act brings a new dimension in interstate economic planning to provide for the development of highways and natural resources and other improvements which make the region more attractive for the location of industry and as a place to live.

The Public Works and Economic Development Act of 1965 provides grants for public works and development facilities, as well as other financial assistance, planning, and coordination needed to restore the economic health of distressed areas and regions. Eligibility as "redevelopment areas" is based on the existence of substantial and persistent unemployment and loss of population due to lack of employment opportunity. Additional areas in which median family incomes are not more than 40 percent of the national median may also qualify. The latter areas are increasingly being recognized as areas in which substantial underemployment may exist, due to a shortage of better-paying employment opportunities and lack of population mobility.

This Public Works Act also provides for "economic development districts," each district including at least two redevelopment areas, and usually comprising several counties. Planning assistance is available in the law for multistate "economic development regions," to be designated by the Secretary of Commerce, with the concurrence of the States involved, on the basis of stated criteria. After a region has been so designated, a "regional commission" is established, composed of one Federal member and one representative of each State in the region. The commission has broad functions in guiding and promoting regional programs. In early 1966, three economic development regions were designated, in addition to the Appalachian

Region previously established by separate enabling legislation. These three regions are the Ozarks, Upper Great Lakes States, and New England. They will be discussed, along with Appalachia, in the following section of this report.

The Rural Areas Development effort to bring about more economic development and provide more of the services needed by people has received wide acceptance since its introduction in 1961. To date over 20,000 projects, ranging from industrial parks to the construction of community facilities, have been organized and promoted. The Rural Areas Development effort is guided by local leadership committees in cooperation with Federal and State agencies. USDA representation usually consists of the local officers of the Farmers Home Administration, the Soil Conservation Service, and the Agricultural Stabilization and Conservation Service, and is called the Technical Action Panel.

The Rural Community Development Service, formed late in February of 1965, provides the leadership for the Department of Agriculture in the broad rural areas development program, and works with the various governmental agency offices in order that all Federal services may reach eligible families.

LAGGING REGIONS

Appalachian Region

The largest contiguous area of rural poverty in the United States largely outside of the South is Appalachia. It extends from Pennsylvania, Maryland, and West Virginia on the north to Alabama and Georgia in the south. On the west are Kentucky and Tennessee, and on the east, Virginia and North Carolina. To assist about 370 counties in 12 States, the Appalachian Regional Development Act of 1965 was enacted. Appalachia was the first of the economic development regions to be so designated under Federal legislation. The Secretary of Commerce has subsequently designated others under the Public Works and Economic Development Act of 1965.

While most of Appalachia is rural in character, it is not primarily agricultural. Land resources are inadequate for crop farming over most of the area; in addition, the terrain does not lend itself to mechanization. As a result, there is a heavy and increasing outmigration from farm to nonfarm areas and occupations.

One of the principal nonfarm occupations in the past has been coal mining. Over the past decade or so, this industry has required fewer workers because of fluctuating demand for coal and an increase in productivity and mechanization of operations. Railroad employment has declined. While there was an overall net gain in employment of about 568,000 workers in all manufacturing, trades, services, and construction work, it was not great enough to offset the total regional demand for nonagricultural employment, resulting in a net decrease of 32,000 in total regional employment during the 1950's.

Agriculture.--Commercial farms in the Appalachian Region showed some improvement during the 1950's. Those farms having gross annual sales of $10,000 or more increased from 4 percent of the region's commercial farms in 1950 to 17 percent in 1959 (although less than 10 percent in the central part where terrain is unfavorable for mechanized farming). But even at 17 percent, this is only about half of the U.S. proportion of 33 percent (10, p. viii and table 12).

The agricultural economy of the Appalachian Region is based mainly on livestock production because much of the terrain is unsuitable for efficient production of most major field crops. In 1959, the value of the livestock enterprise was about $935 million, nearly 70 percent of the total value of all farm products sold. This represented an increase of $375 million in value of livestock and livestock products sold in 1950. Despite this large gain, its importance is not uniform over the region. In several States, (Virginia, Kentucky, Tennessee, and North Carolina), burley tobacco was the main source of cash farm income, and in Alabama, it was mainly cotton.

Income.--Low incomes in the region are a reflection of the limited resources of the farm operators compared with those in other parts of the United States. In 1950, average sales per farm were $2,766 less in Appalachia than in the United States as a whole; by 1959, the difference was $4,888. Income levels in the Appalachian counties not only are below national averages, but also are below those of the States in which these counties are located. In 1960, per capita income for the Appalachian

Region was $1,451, compared with $1,617 for the surrounding area and $1,850 for the United States (10, p. 33).

Education.--Educational attainment in the region is considerably below that of the rest of the United States. In 1960, only 32 percent of its population 25 years of age and older had completed high school, as compared with 42 percent for the United States as a whole. The region was also seriously deficient in numbers of college graduates, only 5 percent of those people 25 years old and over having completed 4 years of college. The comparable U.S. figure is 8 percent.

Population.--Population changes in Appalachia as a whole varied. During the 1950's, the population of the region increased by only 1.5 percent, compared with 17 percent in the surrounding area, and a national increase of 18.5 percent. The population of the region in 1960 was about 15 million, or about 8 percent of the U.S. total. Population declined, mostly due to outmigration, among the most productive age groups (18 to 64), leaving an imbalance of very young and very old in the region. The proportion of the population 18 to 64 in the region in 1960 was 54.3 percent, compared with 55.1 percent for the surrounding area, and 55 percent for the United States. This age group decreased over the decade in all three instances.

Employment.--Despite heavy outmigration, unemployment rose from 1950 to 1960 because of the serious decline in employment in mining and agriculture, and the scarcity of alternative, industrial job opportunities. While the rate of unemployment in 1950 was 5.1 percent of the civilian labor force, only slightly above the national average, by 1960 it had risen to 7 percent, while the national unemployment rate was still about 5 percent. Underemployment was also widespread among small farm operators in much of the Appalachian Region.

Prospects.--Because Appalachia has a large number of rural low-income people, many of whom must seek urban, nonagricultural employment and must be trained in new skills, the Appalachian Regional Development Act of 1965 embraced an integrated rural-urban approach to the problem of developing better living and working conditions in the area. Since the region is not homogeneous, it is necessary to analyze problems and needs by delimiting sub-areas, and devising methods and techniques of promoting economic and social development according to local and sub-area plans and programs. Detailed research is being supported by the Appalachian Regional Commission to make available analysis and planning for the economic development of the region.

Ozarks Region

The Ozarks Economic Development Region is composed of about 125 counties in, or bordering, the Ozark and Ouachita Mountain sections of Arkansas, Missouri, and Oklahoma (17). It is predominantly rural, having only 14 towns and cities of more than 10,000 population. It is neither good farming country nor particularly attractive to industry, but the region has some potential resources for development. It is, however, losing people and capital, and is characterized by low incomes, underemployment, and, at the present time, a lack of new employment opportunity. An Ozarks Regional Commission was established early in 1966 to offer development assistance.

Income.--The income level in the region is low primarily because farm income is low, and there is relatively little alternative employment. Median family income in 1960 was $3,373, compared with $5,660 for the United States. In predominantly rural counties, the median income was only about half of that for the Nation as a whole. Less than half of the farms had total farm product sales above $2,500, and less than 10 percent of the farms had sales large enough to provide adequate net income from these sales alone. Two-thirds of the counties had less than $12,000 worth of farm sales per 1,000 acres in 1959, indicating that the overwhelming majority of those in agriculture need off-farm income.

Education.--Not only are farms economically inadequate and nonfarming occupations limited, but the educational program is not designed to prepare farm youths adequately for nonfarm work. More than one-tenth of the Ozarks population 25 years of age and older had less than 5 years of formal education. For this age group, the median number of school years completed was 8.9. It was 10.6 for the United States as a whole. Better education and training are needed both for those who are steadily moving out of the area to find employment and for the region itself in order to be more attractive to industry. Training for nonfarm occupations is particularly important because the heaviest outmigration occurs in the 20-29 age group when the years of formal education are over. The migration of people 20 to 29 years of age was about 40 percent, and as high as 50 percent from predominantly rural counties, during the 1950's.

Employment.--Considering the poor soil and topography and low-farm income, the employment potential in agriculture is accordingly limited. Farm employment declined almost 60 percent from 1950 to 1960. While employment in manufacturing increased by about 40,000 in that decade, agricultural employment decreased more than 140,000. Women in the area were increasingly seeking off-farm employment, especially in recreation enterprises and low-skilled manufacturing jobs. The female proportion of the labor force increased about 28 percent, while male participation declined from 73 to 64 percent from 1950 to 1960.

Prospects.--While more than 60 percent of the land in the Ozarks Region is forested, much of it is on poor sites and is not favorably located for timber production. The Coastal Plain, the Arkansas River Valley, and the Ouachita Mountain areas are, however, capable of long-range development for forestry and forest product industries. Minerals do not hold much promise for future expansion, and manufacturing has tended to be in slow-growth industries employing mostly female workers at low wages, accounting in part for the female imbalance in the labor force.

Recreation and tourism appear to have considerable potential for future expansion, and a start has already been made in the region to create the infrastructure for this kind of business. The basic investment in physical resources for outdoor recreation has been made in about 200 public outdoor areas. Additional needs in promoting recreation in the area include better transportation facilities (roads and airports), coordinated planning and zoning, greater diversification of recreation facilities within areas set aside for this purpose, and development of complementary public services such as health facilities, communications, and public protection.

Upper Great Lakes States

This region is made up of 119 counties in northern Michigan, Wisconsin, and Minnesota for which the Upper Great Lakes Economic Development Region was designated in 1966.[13] It is an area of low incomes, decreasing population, and decline in the industries which once sustained a relatively prosperous economy, mainly, mining, forestry, and fishing. Mining resources have become depleted in many places; forests have not regained their former importance; and fishing products have provided less income because the supply of the more valuable fish has been seriously reduced. Like the other lagging regions, it is also losing population to more favored areas.

Agriculture.--Only about one-fifth of the land area of the region was in farms in 1959, compared with nearly three-fifths for the United States. Land is being removed from farms faster than in the southern portions of these three States. Only 9 in every 100 acres of land in the northern region were in cropland in 1959. The number of farm operators also declined by 38 percent between 1949 and 1959.

Income.--In 1959 more than half (54 percent) of all families in the Upper Great Lakes States Region had incomes below $5,000; only 7 percent had incomes of more than $10,000. The lowest incomes in 1959 were among farm families--44 percent of whom had incomes under $3,000. More than three-fourths of the farms had sales of less than $5,000 in that year. There were no counties in the region with average value of land and buildings above $30,000; only 3 percent were over $20,000 in 1959.

Education.--The educational level in the region compares favorably with general U.S. standards. In 1960, 44 percent of the population 25 years old and older had completed up to 8 years of school. Public school expenditures per pupil by local governments in 1962 were about $480. The gap between farm and nonfarm population in years of school completed has been narrowing.

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[13] Based on an unpublished report by R. A. Loomis and M. E. Wirth, An Economic Survey of the Northern Lake States Region, Econ. Res. Serv.

Population.--The total population of the Upper Great Lakes States Region in 1960 was nearly 2 million. It increased only about 3 percent since 1950, following a 2-percent decrease between 1940 and 1950. The region experienced a net outmigration of 10 percent between 1950 and 1960, involving about 150,000 people. The heaviest outmigration was in the 15-34 age group; in the 20-24 age group, the rate reached more than 60 percent.

Employment.--Agriculture, which was the largest employer in the region in 1950, dropped to fourth place in 1960, from 106,000 persons to 51,000. Services moved from fourth place to first, and forestry and fisheries employed the lowest number in both years. The two occupational groups of farmers and farm managers and farm laborers and foremen had suffered the greatest decline in both numbers and percentages by 1960.

Number of jobs in the region decreased by 27,000 between 1950 and 1960, while employment in the United States increased more than 14 percent.

Prospects.--Development potential in this region has a favorable human resource base in terms of educational level and productivity of workers. It is believed that off-farm employment opportunities can be developed through further promotion of recreation, which is already a relatively thriving industry, and the related services activities. This region, which once was the Nation's leading lumber producer, will probably see a revival of forestry, with proper management and better marketing arrangements, particularly for the pulp and paper industry and for wood products. The extensive St. Lawrence Seaway and related waterways will contribute to better transportation and marketing facilities in the future. Since the region is dependent primarily on its exports and on recreation-minded tourists, much of its further development will depend on the continuing prosperity of the area surrounding it and the country as a whole.

New England

The problems facing many rural New Englanders, in the six States of the region, are not unlike the problems confronting rural people with low incomes in other regions of the Nation.[14] They are indexed by unemployment and underemployment of rural people, low family incomes, the cost-price squeeze in agriculture, increasing cost of educating children, increasing property taxes, and water and air pollution. In addition, the region possesses few natural resources, with the exception of scenery, sand, and snow. The New England Economic Development Region was designated early in 1966.

Income.--The relatively low average value of all farm products sold per farm ($10,427 in 1959) is reflected in the high proportion of farm families with incomes under $3,000. In 1959, the percentages of farm families that had incomes under $3,000 were as follows: 42.1 percent in Vermont, 40.4 percent in Maine, 27.9 percent in New Hampshire, 26.1 percent in Rhode Island, 22.2 percent in Massachusetts, and 20.5 percent in Connecticut. On the other hand, the proportion of nonfarm rural families with incomes under $3,000 ranged from 8.4 percent in Connecticut to 26.9 percent in Maine.

Education.--In 1960, median school years completed by persons 25 years old and over in New England (11.2 years) compared favorably with the U.S. median of 10.6 years. However, in the farm segment, the median was below the regional figure in all but two States, New Hampshire and Massachusetts, where it was 11.3 and 11.7, respectively. In the other four States, the medians were: Rhode Island, 9.5; Vermont, 9.7; Connecticut 9.9, and Maine, 10.7 years.

Population.--New England is not predominantly rural. More than three-fourths (76.4 percent) of the inhabitants lived in urban areas in 1960. The percentage of the population that was rural ranged from only 13.6 percent in Rhode Island to 61.5 percent in Vermont. Less than 1 percent of the population of southern New England was classified as farm. In Rhode Island, it was 0.5 percent; Massachusetts was 16.4 percent rural and only 0.7 percent farm; and Connecticut was 21.7 percent rural and only 1.0 percent farm. In the northern New England States, the farm population for

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[14] Data on New England from unpublished report of the Economic Research Service by Nelson Le Ray.

New Hampshire was 3.1 percent (41.7 percent rural); Maine, 5.0 percent farm (48.7 percent rural); and Vermont, 12.5 percent farm.

Employment.--Increased employment in the machinery and transportation equipment industries, electronics, defense industries, and shoe manufacturing has done much to compensate for the economic decline associated with the collapse of the textile industry in New England. However, with the exception of shoe manufacturing, these industries require a highly skilled labor force. Many low-income rural people in New England lack the skills required by these expanding industries. Thus there is the problem of unemployment and underemployment in rural areas, while at the same time there is a shortage of skilled workers in nearby employment centers.

The highest rates of rural unemployment are found among the nonfarm residents. The proportion of the nonfarm rural labor force that was unemployed in 1960 ranged from 3.5 percent in Connecticut to 7.7 percent in Maine, compared with a range in the farm labor force of 2.1 percent in Vermont to 3.7 percent in Maine. The seasonal nature of many types of recreational and forest employment results in high rates of seasonal unemployment in the region.

Prospects.--Since approximately three-fourths of the New England Region is in forest land, many attempts to alleviate rural problems have evolved around increased utilization of forests in the region. Primary attention has been directed toward increased recreational use of forest land and increased utilization of low-grade hardwoods. But as in family farming and family commercial shell- and sea-fishing enterprises in the region, mechanization is making it increasingly difficult for the small woodlot operator to stay in business. Water pollution is a factor in limiting recreational and industrial development in some areas because of the quality of water available. Also, because of pollution, many coastal areas have been closed to commercial shell fishing.

Upgrading Rural Areas

In perspective, it would seem that these lagging regions, together with the South and Southwest, should command the special efforts of Federal and State governments, in cooperation with private industry, to bring the people where they now live up to a point of competitive position with other areas. If this is not done, outmigration of the most productive age groups will continue from rural areas and will further add to the already overcrowded urban centers.

Many observers of current population trends believe that the American people not only should be given a good comparative choice of residence, but also that, given that choice, a large number would favor rural areas. This is not to say that a back-to-the-farm movement would, or should, occur. Agriculture is already a labor-surplus enterprise. It is to say that if rural areas all over the country could offer improved, modern living conditions--better housing, adequate water and sewage disposal, utilities, education and health facilities--the flow of migration to crowded cities would abate. If employment opportunities, in decentralized industry and accompanying services, were to open up in rural small towns, many migrants, disenchanted with city life, would be likely to return to rural residence.

Industrial leaders in the United States are aware of these overlooked opportunities and some are placing factories in small towns, drawing on a commuting labor force in the surrounding countryside. Much more attention needs to be given to the possibilities of providing work opportunities where a surplus labor force already exists and where living in rural open spaces can be a powerful inducement to additional recruits. The so-called lagging regions provide a setting for development activity which would stimulate overall economic and social improvement and bring these regions up to the pace of the rest of the economy by raising income levels and creating the base for reasonable progress. People who need jobs and higher incomes are there; they can be trained in the necessary job skills; they would undoubtedly prefer to remain where they are if they could be assured that their children would have good schooling, that adequate health services would be available for the whole family, and that living conditions in general would be acceptable.

HOW LOCAL ECONOMIES GROW

Area development is an extremely complex phenomenon. Empirical knowledge of the nature and significance of the many interrelated factors in development is limited. Research needed for selecting and examining the major determinants of area development are identified here.

In this discussion, an area is considered to be any delineated group of contiguous spatial units, often counties. Development is defined as the process whereby all residents of the area under investigation attain specified minimum levels of real income in association with an increase in real per capita income. Since the concept of real income involves numerous, often vague and subjective, considerations, real income may be measured by a proxy variable--that is, net family money income adjusted for inter-area differences in the money income required for comparable levels of living.

Specifically, the development of any area requires the interrelated adjustment of public and private economic entities--individuals, families, firms, organizations, and industries--so that the average real incomes of resident families and individuals are likely to be increased in ways that enable all actual and prospective resident members of the labor force to increase and to realize their productive potential, and consequently to earn incomes as a direct result of the realization of their productive potential.

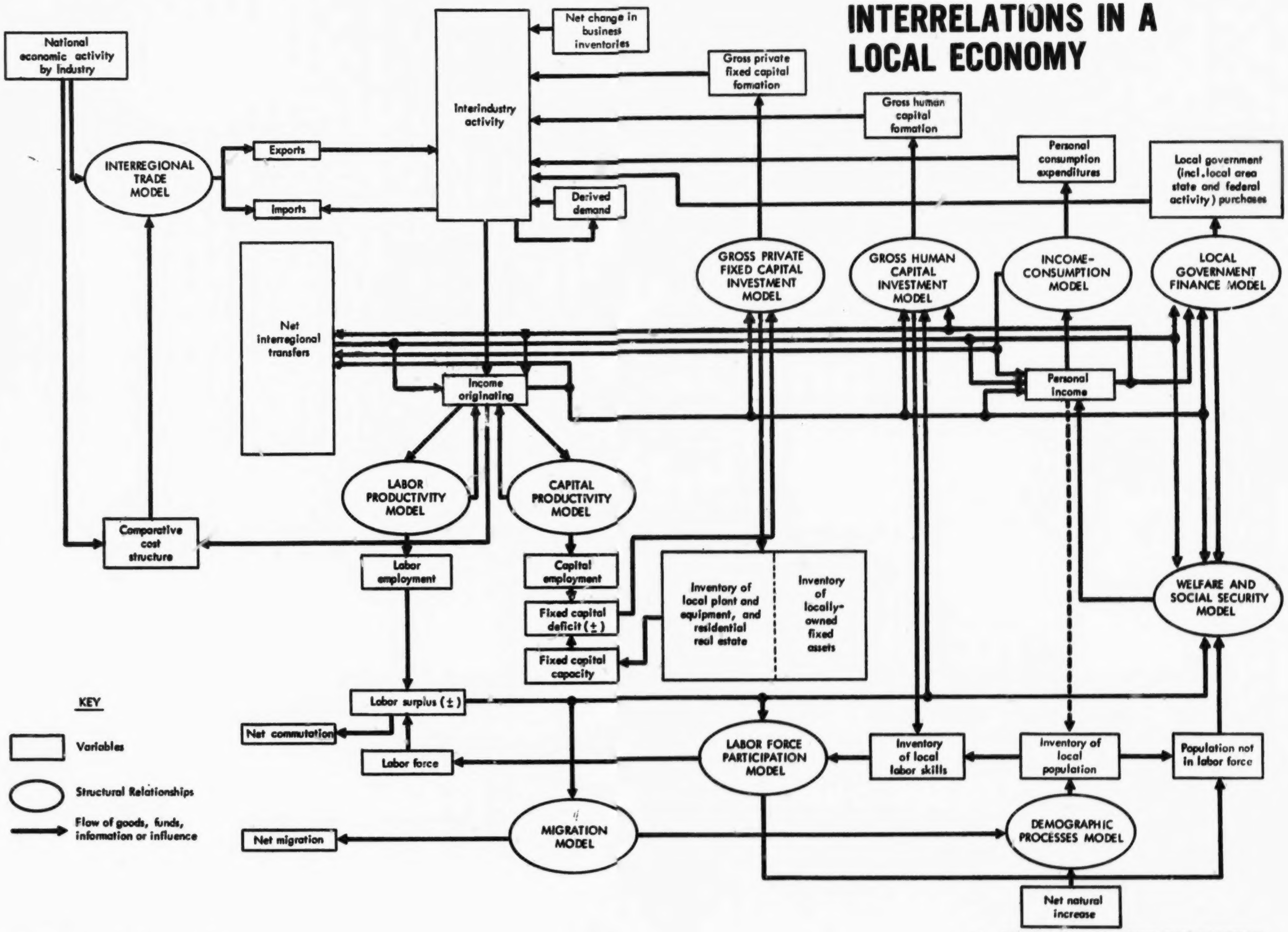
Area development increases the employment opportunities of all area residents. It enables them, through improved health, education, training, and other supporting services, to enter the labor force or to progress to better jobs. It also widens business and employment opportunities by fostering the competitive establishment, expansion, relocation, and reorganization of business and industry, farms, nonprofit enterprises, and other sources of employment. In addition, public and private funds may be used to ensure that all residents unable to work because of age or other reasons have a socially acceptable minimum net money income, for example, $3,000 per family per annum. Such aid can contribute to area development by increasing the incomes of recipients who are likely to spend most of the money within the area or by increasing the productive potential of local citizens. Thus the economy of the area is indirectly affected through education of a recipient's family, increasing resource mobility, and otherwise increasing the opportunities for investment in human resources.

The determinants of development are innumerable and varied in their extent of influence. However, for practical purposes a determinant may be defined as any factor that has a specific and noticeable effect on development. Determinants may be classified as follows: A significant determinant is a factor that is presumed to have, or to have potentially, a major effect on the development of a given area within a specified period of time; a critical determinant is a significant determinant, the effects of which must be changed to facilitate development in a given area; an instrumental determinant is one that can be directly changed or implemented by public and private officials at the national, State, or local level; and a strategic determinant is one that is both critical and instrumental.

Interrelationships in Development

All determinants are interdependent in varying degrees. A change in one may directly or indirectly affect many others, setting into motion a process too complex to understand without a detailed analysis of the various interrelationships. Figure 6 illustrates some of the more important economic interrelationships. Interpretation of the arrows of the chart will be obvious in most cases. Some show directions of money flows which are used to measure movement of goods and services which, of course, flow in the opposite direction. Others show physical flows, while still others depict flows of information or influence. The boxes depict employment, income, and other socioeconomic variables, while the terms encircled indicate sets of structural relationships showing the interactions among the variables.

In considering some of these relationships, it is apparent that employment levels and wage rates in an area or region are important influences on the labor force and on the determination of income. But many economic, political, and social factors also impinge upon the labor market. Thus, even if an area has sufficient population for consumer-oriented industries, employment may be stifled because the existing



INTERRELATIONS IN A LOCAL ECONOMY

National economic activity by industry
INTERREGIONAL TRADE MODEL
Exports
Imports
Interindustry activity
Net change in business inventories
Derived demand
Gross private fixed capital formation
Gross human capital formation
Personal consumption expenditures
Local government (incl. local area state and federal activity) purchases
GROSS PRIVATE FIXED CAPITAL INVESTMENT MODEL
GROSS HUMAN CAPITAL INVESTMENT MODEL
INCOME-CONSUMPTION MODEL
LOCAL GOVERNMENT FINANCE MODEL
Net interregional transfers
Income originating
Personal income
LABOR PRODUCTIVITY MODEL
CAPITAL PRODUCTIVITY MODEL
Comparative cost structure
Labor employment
Capital employment
Fixed capital deficit (±)
Fixed capital capacity
Inventory of local plant and equipment, and residential real estate
Inventory of locally-owned fixed assets
WELFARE AND SOCIAL SECURITY MODEL
Labor surplus (±)
Net commutation
Labor force
LABOR FORCE PARTICIPATION MODEL
Inventory of local labor skills
Inventory of local population
Population not in labor force
MIGRATION MODEL
Net migration
DEMOGRAPHIC PROCESSES MODEL
Net natural increase
KEY
Variables
Structural Relationships
Flow of goods, funds, information or influence

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Figure 6

labor force is without the proper skills or basic education, or may not be receptive to a new and unfamiliar kind of enterprise. Furthermore, each of these determinants in turn affects, and is affected by, other determinants or related factors, such as migration rates, racial composition, medical care availability, training and educational facilities, and communication services.

On the other hand, types of enterprises and their production relationships in the Nation, as well as in the area, decide the demand for the labor services of area residents. The determinants of existing and potential industrial activity, particularly in the area, must be ascertained. Among these are technology, material inputs, labor requirements, natural resources, transportation facilities, capital cost and availability, tax structure, and Government subsidies and contracts.

A determinant may take on critical or strategic attributes, depending upon the way it is operating at any particular juncture in the development process. For example, a tax rate may be termed critical because it is significantly inhibiting the attainment of a development goal; it must be altered by discretionary action to be a positive influence. In addition, the tax rate is strategic because it is an instrumental determinant.

To predict the effects of varying a given instrumental determinant in a depressed area, the analyst must understand the nature and degree of linkage among the various determinants, such as different tax policies that might induce businesses and people to enter the area; the possibility that compulsory minimum wages in an area are prompting firms to substitute capital for labor; the extent to which improved roads and public transportation would facilitate commuting to urban areas; and the effects of liberalized depreciation and depletion allowances on local industries. These are complex problems and are not widely understood.

In considering these factors, the socioeconomic structure of an area can be viewed from three dimensions: Space, activity, and time. On the spatial plane, we may think of a hierarchy of nodal influences based on the recognition that metropolitan areas may exert greater influence on rural areas than vice versa. Similarly, in analyzing economic activity, we observe that certain basic industries tend to have dominant or key functions, and thus have greater impact on a region. In Pittsburgh, for instance, the steel industry has a greater economic impact than does the retail trade industry. The time aspect is always chronologically ordered; for analytical purposes, the present has much more effect on the future than on the past.

To be meaningful, regional analysis must therefore consider at least two fundamental aspects of economic behavior: (1) The basic interdependence of actions and effects; and (2) the tendency of some actions to dominate others.

General Nature of Research

In attempting to trace the effects of policy actions on development in a given area, research has tended to consider the functioning of the various determinants separately. Data, methodology, and the results of each project are often unrelated to other projects, with the result that findings of one study, which should contribute data and information to other studies, are frequently found to be of limited use. The pressure for timeliness of results, the divergence of policy interests, and other considerations will continue to dictate the need for some ad hoc research.

The results of research, however, should be placed in a broader perspective by studies that give more explicit recognition to the complex interdependencies of the innumerable determinants of development. For this reason, a more integrated approach to research in area development is indicated. Individual research projects should examine the linkage among significant and strategic variables, but always within the total framework of development and determinant interdependency. The results of such an integrated research program would enable public officials to formulate and carry out their actions with greater effectiveness.

An explicit orientation is needed for all policy-supporting research, to give reasonable assurance that the accuracy and validity of results will be meaningful for the policy maker.

The following criteria might be used in determining priorities among research projects. Since the major connotation of area development is to increase the real incomes of people, and the Department of Agriculture is primarily concerned with the problems and opportunities of rural people, research should be so organized as to help to increase real income for the maximum number of rural people. This research should give major support to the formulation and implementation of a coordinated action program to eliminate poverty in a given area, giving explicit attention to the factors affecting the income levels of all types of rural people. They should include all age and ethnic groups, both sexes, and farm and nonfarm rural people. Individual projects should identify the groups of people that would be benefited by the research and how they would be benefited. While the total research program should contain projects that examine the development opportunities for all groups of rural people, special attention should be devoted to low-income families.

In addition to the above generalized statement of research needs for area development, further consideration should be given to such substantive fields as: Economic structure; human resources; and social factors.

Economic Structure

Spatial structure.--For effective research in area development, the nature of an area as a meaningful economic entity must be precisely indicated. Established county, labor or trading market, or metropolitan area demarcations could be convenient frameworks for analysis because of availability of data and other considerations. However, these demarcations are generally designed to examine urban problems, while rural problems are considered only in their relations to, and impact on, urbanization. To consider area development problems in a broader context, it is necessary to recognize explicitly the many interrelated aspects of the economies of the area and the surrounding region--for instance, the spatial linkages of: retail trade and services; key industries; shopping and employment commuting patterns; and labor-force participation.

To determine boundary lines of a meaningful area for development analysis, the location of these socioeconomic characteristics needs to be mapped. Boundaries then can be drawn through those points where intensities of activity tend to be minimal. However, some subjective evaluation of the delineation is needed in light of other possible socioeconomic influences, such as consumer-buying behavior, taste, investment, saving, and social values in the region.

An analysis of the intraarea and interarea flows of labor, capital, and goods and services would help to determine the nature and degree of economic self-sufficiency or outside dependency of the project area. This examination of trade flows takes into account the movement of money and people as well as the flows of goods and services. Attention should also be given to the unilateral transfers of wealth from one area to another. To reveal the significance of the various movements, the inflows and outflows of resources, goods and services may be compared to one another over given periods of time. An examination of trade flows, as determined by comparative cost and industrial-complex analyses and by the technical interindustry linkage system of interregional input-output, would be useful in developing possible shortcut estimation techniques.

Activity structure.--Research effort should be directed toward analysis of such phenomena as the business posture of the region by type of industry; the trends in industrial activity in the area since World War II, with respect to such indicators as sales, employment, payrolls, and wage levels; appropriate new business ventures which might be attracted to the area through the utilization of existing resources, Government subsidies and contracts, and taxing policies. Consideration should also be given to the question of how such new businesses could best contribute to the enlargement and diversification of local economic activity. Impediments to business expansion, such as insufficient demand and resources, should be investigated. If found to be significant determinants, possible corrective measures should be studied.

Investigation of the specific nature and degree of variation among the production relations for given regional industrial sectors should include the estimation and analysis of basic production parameters (for example, employment by occupation and capital inputs), with particular emphasis on the effects of technology, size, and scale. Such information would supplement analyses of trade flow and other spatial parameters.

Development of information concerning industrial input structures, based on primary and secondary data, would facilitate the calculation of the activity and spatial interrelationships in development. These calculations are useful in the detailed evaluation of the impact effects of various policy actions on an area, and in the assessment of its overall development potentials. The accurate specification and quantification of multiplier types of relationships among industries with local and nonlocal markets are particularly enhanced.

Investigation of the structure of local capital required for area development would require measurement of the amount and age of capital stock, the rate of depreciation and investment by specific industries, and of the returns on capital resources as compared with returns on entrepreneurial ability of owners or managers of capital. These estimates would be prerequisites for valid analyses of relative direct and indirect costs and benefits of various private and public investments.

Comprehensive structure.--Analysis of economic, spatial, and activity structure is needed to answer specific policy-oriented questions such as: (1) What are the effects of rezoning or changing the utilization of arid or marginal farmland into industrial parks, shopping centers, and cultural or educational facilities, taking into account locational inducements offered to industries, such as tax benefits, new roads, transport and communication facilities, and conservation? (2) What are the impacts of a given plant location on a given area? (3) What are the impacts of Government loan programs on specific areas and sectors of the economy? (4) What are the effects of specific watershed and other resource development projects? (5) What are the comparative advantage characteristics and other underlying causes for locational shifts in industry? and (6) What types of spatial and activity analysis are required for various levels of activity and sizes of areas and regions, to provide sufficiently precise and accurate solutions to specific policy questions?

The potential for development of an area depends largely on the extent to which basic industries can be established, maintained, and expanded. The economic success of these basic industries helps to establish additional industries, notably those catering to basic ones and to the consumer needs of the local area. In turn, the establishment of nonbasic industries contributes to the further expansion of basic industries. This expansion is promoted to a large extent through internal and external economies. Internal economies arise from the expansion of scale and size of an economic entity, while those external arise from the spatial agglomeration of like and unlike economic activities in an area.

An overall analysis of the influence over time of development determinants, in terms of their spatial and activity characteristics, would stress the growth and decline of specific industries and areas in the past and their anticipated behavior under alternative programs and socioeconomic assumptions. Major attention should be directed to research regarding the costs and benefits of establishing regional infrastructures and other aspects of area development, and to the designation and delineation of potential growth areas in the United States, primarily those that are nonmetropolitan.

Human Resources

Education.--The structure of the existing primary and secondary school systems in local areas needs examination, particularly with regard to the cost of and return to education in terms of social return; the adequacy and quality of academic, vocational, and technical and educational facilities, with respect to requirements for maximizing social return; and the adequacy of financing local school systems through bond issues, taxes, and intergovernmental financial support.

Long- and short-term projections of the local population must be made to estimate future school loads and the types of training that will have to be provided to make the local labor force competitive in the national labor markets. Such projections are, of course, predicated on anticipated employment opportunities which, in turn, are partly dependent on the quality and availability of local education. Educational structure should be studied not only as an entity in itself, but also as related to social values, commuting patterns, labor skills, and human resource requirements, as well as other variables in the development process.

Skills and training.--Consideration here should be focused on the present and future needs for academically, vocationally, and technically trained personnel in the local area as well as in the Nation as a whole. If the local training is found to be inadequate, then steps to correct this condition should be spelled out specifically and the existing policy programs should be evaluated. Answers should be sought to such questions as: Are currently available data on the labor force (cross-classified by occupation, education, training, age, sex, place, and time) adequate for analysis of area development? How can better communication between job seekers and job providers be facilitated? How can labor mobility be increased?

Demographic variables.--The sensitivity of development to various labor supply parameters (for example, birth rates, migration rates, income available for private and public investment in human capital) should be investigated, with the results broken down by sex, age, race, and ethnic characteristics. How these parameters may be affected, and what are the net social benefits and costs of influencing them should be examined. For example, the causes of inmigration and outmigration over the years should be traced by looking at the income levels of various occupations and at the local impediments to employment, such as discriminatory hiring practices, traditions, and education.

Social factors.--Research on the importance of social factors in promoting or impeding economic development has lagged because of the complexity of the problem and the multitude of elements that compose it. There are few, if any, social factors that do not in some way influence the general process of economic development. The almost total lack of empirically derived information in this field dictates that research must be guided, in large measure, by theoretical considerations; that is, by hypotheses of those social scientists charged with studying social phenomena. Two areas of high priority would include: (1) The function and integration of such basic social institutions as the family, the school, the church, and the community in promoting knowledge, skills, and desires that are essential for development; and (2) the basic structure of program organization and communication.

The study of the family and other social institutions would focus on their role in developing certain attributes among both children and adults which are important in promoting economic and social development. Among these attributes are values and skills that contribute to greater efficiency in work and the desire to perform at higher levels of skill and workmanship, possibly learning new skills and developing a desire to perform at higher levels. They might include willingness to accept new knowledge and work habits as a rational means of increasing production efficiency in economic development; ability to make rational decisions about thrift and savings for economic well-being and as a path to habits of temperance, thrift, and savings; motivation to improve self, family, community, and State; and modes of effective participation in family, neighborhood, community, and Nation.

Analysis of these values and attitudes would lead to an understanding of such matters as the extent to which innovators who introduce changes in behavior are recognized and rewarded rather than criticized and punished; the extent to which these innovators are setting and emphasizing recognized standards of local values; and the importance of motivation in economic and other types of activity. Because motivation patterns are believed to be established early in life, evaluation of the role of parents, friends, neighbors, teachers, and community leaders is important.

Analysis of the basic system of community organization and communication would include the following: (1) The effectiveness of the existing organizational structure for diffusing technical knowledge to all families, and helping individuals and groups to make crucial decisions involving technology, savings, investment, utilization of labor, and use of capital; (2) the role of the social structure in promoting appreciation of, and effectiveness in, group and individual planning of specific tasks and programs of work, including the adoption and use of new technology and its management to achieve satisfactory levels of efficiency in production and labor savings in the more arduous work activities. (The social structure, as used here, includes the family, the community, and any special groups such as unions, cooperatives, associations, special-interest groups, and local government.) (3) The part played by such local organizations in planning for long-term activities and programs of assistance for local people, in their contacts with political and other leaders, legislators, administrators, and others; in furthering their interests in the fields of production, credit, marketing, etc., and in getting fair and equitable prices for their farm products.

Approach to the problem.--No standards have been established either for efficient institutions or adequate organizations at the family, community, or State levels as required for economic development. An initial step in establishing such levels would require the selection of a variety of these institutional units including some with manifest traits of economic progress and others with obvious characteristics of severe poverty, backwardness, and stagnation, both among the people and in the areas in which they live. Degrees of success could be scientifically measured by trained investigators who would set minimum standards of organizational and institutional adequacy of performance.

ROLE OF GOVERNMENT AND OTHER ORGANIZATIONS

Governments in the United States have been described as a web, and the intermingling of governmental actions in our Federal system as resembling a marble cake rather than a layer cake. Both ideas indicate the complexity and interconnectedness of local, State, and Federal Governments.

At the community level, three kinds of governmental activity can be identified. First, there are the more-or-less independent actions of local governments: Counties, cities, villages, school districts, and townships. Then there are local services provided directly by State or Federal Governments: The rural mail carrier, the village post office, the traveling psychiatrist who spends one day a week at different local mental health clinics. Finally, there are intergovernmental activities involving Federal, State, and local officials: Examples are the Federal-State-local highway and vocational education programs.

There are also various combinations of Government and private organizations, for example, regional development associations with memberships held by private corporations, government units, local service clubs, and individuals. Somewhat different are the associations of businessmen and local officials from a number of communities brought together by the economic development extension agent to work on problems of providing facilities to bring customers into the region and to advertise the recreational facilities available there.

Other organizations involved in providing vital services or helping to set the tone of community life may be entirely private, although some of them may be subject to special regulation by Government. Among them are companies that provide electricity and other sources of power, telephone companies, railroads, developers of industrial parks, county medical societies, regional planning associations, contractors' associations, farm organizations, chambers of commerce, unions, associations of local government employees, and parent-teacher associations.

In any locality, the interrelationships between Government and private organizations are numerous. The changing roles played by various Government and private organizations at different points are an aspect of the economic development process.

Total expenditures of local governments outside of standard metropolitan statistical areas (SMSA's) were about $13.5 billion in fiscal 1964 (41, p. 25). By far the largest amount was spent on education, $7.3 billion. Another $1.6 billion was spent on streets and highways. Other activities on which $100 million or more were spent by local governments outside of SMSA's were: public welfare, $830 million; health and hospitals, $620 million; police protection, $378 million; interest on general debt, $363 million; general control, $330 million; local fire protection, $208 million; sewerage, $199 million; parks and recreation, $146 million; and housing and urban renewal, $103 million.

Local Government and the Quality of Rural Life

One objective of almost all local government activities is to promote the welfare of the residents within the locality. Some of the facilities and services are so important that their availability is used as one measure of whether the minimum acceptable quality of life is present. One of these activities, fire protection, illustrates the way in which local governments contribute to the quality of rural life. It also shows the interdependence of government services and facilities, as well as some of the special problems of rural areas and of people with low incomes. The fact that many local fire departments are manned by volunteers and receive financial support from nongovernmental organizations illustrates the point made earlier that public and private organizations work together in providing many amenities of life.

One advantage of urban life is that when a fire breaks out, there is generally a fire station nearby from which men and equipment can reach the fire quickly. Usually, a telephone is readily available for reporting the fire. In the rural areas of our country, the quality of fire protection varies widely. In some small cities and villages, the level equals, or perhaps exceeds, that of our larger cities; others have less adequate protection or none at all.

Three important factors affecting the quantity and quality of education, health, and welfare services in rural areas are sparsity of population, relatively low incomes, and differences in outlook and attitudes. These same factors affect other local government activities.

Sparsity of Population and Low-Income Factors

The costs of local governments are directly affected by population distribution. Sparsity of population raises the costs of many social services. For fire protection in rural areas, this factor influences the cost per person for firetruck and crew, the time lapse in reporting and reaching a fire, and in providing the necessary water supply either by truck or through pipes. These facilities for adequate fire protection are markedly fewer in rural than in urban areas.

The low-income factor in rural areas tends to reinforce sparsity of population as a cause of less adequate fire protection. For example, many rural families do without a phone as one way of stretching a low-cash income. Or they may refrain from petitioning for better roads or more snowplows because higher taxes would result. Yet, an impassable road can add many miles and several minutes to a firetruck's response to an alarm in a rural area.

In many low-income areas, the costs of fire protection are prohibitively high. It is in these areas that fire hazards tend to be the greatest, because of faulty heating systems, lack of adequate water supply or fire extinguishers, and other factors in the homes of the poor.

Attitudinal Factors

Attitudinal factors are also important in providing government services in rural areas. Low incomes tend to influence the attitudes of rural people, as seen in the tendency of governing bodies of some rural communities to resist increased charges for fire protection from adjoining urban governments. A fair method of apportioning joint costs is not always readily apparent, and often there is suspicion that rural people are being asked to bear more than their fair share. In addition, what may seem like a modest charge to urban officials may be a major item in a rural budget.

Attitudes are also responsible for less active fire prevention programs in rural areas. Involved are such factors as resistance to regulation and inspection of building materials and other potential fire hazards, and the absence of threat to other buildings by fire in open country. Although the danger of fire to rural people and property is high, attitudes toward prevention of hazards and regulatory activities to minimize danger tend to work against the necessary precautions for adequate fire protection in rural areas.

In regulatory activities such as these, attitudinal and low-income factors reinforce each other. All the reductions of fire hazards called for by the regulations are costly, and because the money is needed for other necessities, low-income people tend to resist regulation. Fire hazards are only one problem of low-income people, and reducing the hazards cannot be given very high priority. Much the same situation is true of other services provided by local governments. Parks and recreation programs, law enforcement, streets and roads, and water and sewer services tend to be less than adequate in low-income rural areas.

Some Unanswered Questions

Problems arising from local government efforts are illustrated by the story of a small city in the Southwest that lost the cottonwood trees from its plaza, a loss that no one really wanted and that was irretrievable (20, pp. 11-13).

Like many places in the Southwest, this city was built around a central plaza. The aura of the Old Southwest was maintained by the lines of hitching rails in front of the business establishments around the square and by the towering cottonwood trees that soared from the plaza. Like the village greens in New England dominated by the village church spires, the cottonwood-shaded plaza was an integral part of the identity of the people in the small community and surrounding rural areas.

In the center of the plaza was a small, old city hall, long outgrown for the town's need for office space. City officials had agreed that a new city hall was needed. Consultants and architects were brought in to draw up plans for a new building which the council approved. A bond issue to finance the new city hall was approved by a majority of the electorate, and a contractor was chosen. The contractor cut down the cottonwood trees, tore down the old building, and constructed a new city hall. The shiny, new, modern three-story office building seemed to almost fill the plaza, dominating the other buildings on the square.

Everyone in the town regretted the disappearance of the cottonwoods and indicated that if he had been given a choice, he would have preferred the cottonwoods to the new office building. Everyone recognized that something of inestimable value had been lost to the community when the trees were cut down. Who, then, had made the decision that no one in the community really favored? Leopold, in his study on resources and quality of landscape, says:

> "Esthetic values are often lost, not because it is the will of the majority to give them up, but because the issue placed before the public is not in a form that their wishes on such a matter are directly expressed. The wheels of administration have usually turned too far toward a particular decision before the real desire of the people becomes known. Even the elected representative is usually faced with a decision to build or not to build. Very seldom is even he asked the question, 'Is this something you want to give up?' (20, p. 12)."

The decision of the local government to cut down the cottonwoods is typical in that it involves complexes of tangible and intangible values that are also involved in most such decisions concerned with improving the quality of life for rural people. Many unanswered questions about this process are in need of further exploration.

Questions About Goals and Possible Alternative Actions

That goals are important determinants of policies and programs has been amply demonstrated by the antipoverty measures begun in recent years. Goals that differ can lead to choices that aim in different directions, and at times can lead to direct conflict. Frequently, multiple goals are aimed for, with resultant diversity in policies and programs.

A major area needing further exploration is that of the goals that should guide programs at the local and regional levels. Goals, of course, reflect underlying values. Different values come into play at different times. For example, is it better for the child to go to school close to home and go home for lunch, or go to a school with adequate facilities for science and language training some distance away? Or should we be aiming for both objectives?

At the level of national goals, it is often pointed out that economic efficiency as an objective must compete with other goals, such as economic stability, equitable distribution of income, full employment, and national security. And it is understood that advances toward one of these goals can require dropping back from another.

At the local level, the human goals comparable to the economic goal of full employment are not well developed and articulated. Economic efficiency is a well-recognized goal, as is the minimization of expenditures; often at the local level the two tend to blend into each other.

Economic efficiency often becomes the dominant objective in the technical advice offered to local people, and is accepted by default. In the case of the cottonwoods on the plaza, technical advice on the size and design of the city hall was based upon providing in the most economical and efficient way the space needed by the city officials. The unanimous goal of keeping the beauty of the old plaza lost out by default, because the question of keeping it was never asked by the technical advisers. It is not really their job to do so, but the technical advice of "experts" is seldom questioned by local people. The experts' dominant value, economic efficiency, is accepted without its impact on other goals being carefully examined.

The case of the cottonwoods also is an example of the goal of economic efficiency easily becoming simply a matter of economy. Holding down expenditures dictated using land the city already owned--cutting down the trees and building the city hall in the plaza. The goal of keeping the beauty of the old plaza was never explicitly weighed against the goal of minimum expenditures. If it had been, another site might have been considered.

Identification of the goals, possible courses of action, and their relationship to each other at the local and regional level deserve high priority. Emphasis on one alternative at the local level, and another at the State or regional level, can bring conflicting objectives into play in carrying out Federal programs aimed at national objectives. For example, businessmen in one locality may want to spend local funds to subsidize a new industry to provide jobs for local people. The State goal of economic efficiency may indicate location of the new industry at a growth center some distance away. A Federal goal of parity of opportunity might require spending both State and local funds on improved educational facilities to help local young people qualify for jobs in another part of the Nation. Each goal would require a different action in the locality concerned, and each action would impede achievement of the other goals. But many other alternative courses are possible, and they should be thoroughly explored to see if one can be found that might fit more than one of the goals.

Economic efficiency.--When economic efficiency is adopted as a goal, the intent is not to spend money for public programs unless the benefits exceed the cost. In trying to apply this intent to local government services, a number of difficult problems occur.

Local government decisions cover a relatively small area, as compared with the State or Nation. All decisions on such things as fire protection or water supply are broken up into relatively small parts by allocating these choices to local governments, an illustration of the aspect of cost-benefit analysis known as suboptimization (23, pp. 29-34).

McKean, in a study on efficiency in government, points out that a danger in applying cost-benefit analysis to the kinds of small-scale decisions made by local governments is that the criteria used for the local actions may be inconsistent with "higher-level" criteria, that is, those that should be applied to cost-benefit analysis concerned with the same problem over a large area such as the State or Nation. Plausible criteria for choosing local policies may not be in agreement with what we really wish to do for the larger area.

To compare the costs and benefits of local government subsidy to new industry, we might use as the measure of benefits the amount of new payroll and the number of new jobs brought into the country, and might conclude that the costs of building new roads, water mains, and schools were more than justified by the benefits received. But for the State as a whole, the same benefits might be received by building the plant in another part of the State where existing transportation, utility, and school facilities have excess capacity, and costs would be considerably lower.

A second problem is measuring outputs of local government activities. Effective law enforcement for a locality may establish the reputation for being tough on lawbreakers. If the law enforcement officers and the prosecuting officials act aggressively against lawbreakers, and the courts deal out heavy sentences, prospective lawbreakers may avoid the community. Such a community would not rank very high on a measure using the number of arrests and convictions per law enforcement officer, or on a measure using the number of crimes committed per law enforcement officer. Other communities might rank low for reasons other than good law enforcement--a medium-income residential suburb with no commercial or industrial area might simply have few attractions for bank robbers or safecrackers.

Similar problems arise in trying to measure the outputs of education. The quality of education received by a student tends to be intangible; the widening of individual opportunity is extremely difficult, if not impossible, to measure. So we fall back on some simplifying assumptions, and use the amount spent per classroom unit as one of the best available measures of the quality of education. This assumes that the larger the amount spent, the higher the salary for the teacher, and that the higher salary will attract teachers better able to widen the opportunities and enrich the lives of the students.

A third problem is getting all the relevant costs assembled. For instance, the substitution of private for public costs is possible in many activities undertaken by local governments. Two counties may provide recreation programs that include baseball and softball leagues for approximately 1,000 boys. In one county, gloves, bats, and balls may be furnished at public expense and school buses rented to take teams to their away-from-home games. In the second community, the equipment and transportation may be supplied by parents. The cost of the recreation programs of the two counties must include both public and private costs, if meaningful comparisons are to be made.

Similar problems exist in other local activities. In consolidating schools in rural areas, additional transportation costs may be private because parents must provide transportation for their children, or costs may be public because a decision is made to provide free bus transportation for any child whose parents request it. In sparsely settled areas, rural children often board and room in town to attend high school. Some families maintain a house in town in which they live when school is in session. The fathers incur additional commuting costs to get to and from their work. Part of the costs to these families of living in town is a substitute for public costs of school transportation, and should be taken into account in cost-benefit analyses.

A final problem concerns the use of per capita costs in measuring either inputs or outputs. Such information as is available on the shape of cost curves for local government services indicates that they may be U-shaped for some services (8, 14, 36, 37). That is, size and density of population influence the shape of the curve in that per capita costs of services are high in small communities, go down in approximately middle-sized towns, and back up again in very large cities, because of population congestion and other factors. Our knowledge of the exact shape and slope of curves for measuring costs is still quite rudimentary. Economies of scale, however, have been used to deduce guidelines for service areas of urban and metropolitan governments (15). Appropriate guidelines for rural areas are yet to be developed.

The proper area in which to provide local government services should not be determined on the basis of scale economies alone; careful consideration needs to be given to other factors which are an essential part of democratic government, such as representation in decision making.

The Local Decision-Making Process

Because action at the local level is frequently needed in almost all government activities, better understanding of the local decision-making process would be helpful in many programs. A recent study concluded that water resource development in one area tended to move slowly because of the difficulty in initiating action for a project at the local level. And the larger and more diversified the project, the more difficult it is for local people to assemble the inputs of time, energy, and money needed to begin action (24).

Frequently, local inaction is attributed to ignorance or obstructionism, but this view does not recognize the complex problems of attitudes and beliefs that are involved in fitting local actions into national programs. As one expert has noted:

> "Inevitably, a successful community development program reinforces some norms while threatening others since its purpose is to usher in social change. We need to know, with much greater precision than we now do, just how and why norms are modified and the extent to which they can be flaunted by those seeking to introduce new behavior patterns in the economy, the family, and in local government (33, p. 318)."

What seems to be conservatism in rural areas may, in part, be due to choices made from an incomplete listing of alternatives or from attachment of erroneous consequences to those considered (22). The correct identification of alternatives and consequences is particularly important in the problems of adjustment for rural areas that are losing population, and where some kinds of economic activity are declining in importance. When the objective is to better integrate the lives of people in this kind of rural area into a larger urbanizing economy, alternatives and consequences may also depend upon short-run versus long-run considerations.

For example, would consolidating our smaller, less populous counties into larger units result in economic reverses for the businessmen of those communities that would lose their status as county seats? Are there alternative investment and employment possibilities in the expanding economy of the larger cities in the proposed larger county? Could programs be developed that would underwrite the losses of closing down a business in one locality and making a new start in another, so as to reorient the rural economy toward more profitable activities? Can we make more use of the private economy and the market mechanism in this process? Young people often must leave the rural economy because the family business is not sufficient to support them--could their alternatives be widened in compensation for the limitations upon the family business that may result from government reorganization?

The economic consequences of adjusting local government boundaries are by no means entirely clear, nor have all the alternatives been explored. Most rural counties do not have the staff to assemble available information, much less to research those questions on which information has not yet been developed.

A second question about the local decision-making process concerns representativeness. One problem is how to reconcile the wishes of those who live in the local area with those of some larger area. People living in remote areas where subsistence agriculture is supplemented by hunting, fishing, and trapping, and occasional off-farm jobs, are often said to prefer this life to any other. And many a suburbanite struggling with rush-hour urban traffic jams might well agree that an outdoor life unregulated by the timeclock is to be valued highly. Yet such a life does conflict with some of the values envisioned in economic development and equality of economic opportunity.

Perhaps a more important area of conflict may arise with respect to values concerning an adequate education for the children of those living in rural areas. One of the classic studies of a small community reported some time ago that local opinion would not permit the high school to suggest that courses such as bookkeeping and typing would be useful for local young people leaving the community to find jobs (53). Many high schools in rural areas have since added these courses to their curriculums to prepare young people for urban-oriented employment. However, where these kinds of community values still persist, local officials might actively oppose efforts by State or national education agencies to provide an adequate education for young people who eventually migrate to other communities and to other States.

A second and related problem of representativeness is how to act upon the wishes of a local majority and still protect the interests of a local minority. For example, there are people in the rural Midwest who believe that the advantages of the one-room rural school outweigh its disadvantages. In a restricted-enough area, such as a small school district, they might be a majority of the decision makers. As school districts have been enlarged and consolidated, these people have become minorities almost everywhere.

One consequence has been alienation of the members of this minority group from their local government. They feel that the State and county have preempted local control over schools, and that "the schools are no longer ours." It is difficult to fault the concern of parents about the long ride that their 6-year-old must take twice a day on the school bus. As in cutting down the cottonwoods, the problem is to insure that viable alternatives are not foreclosed by the technical advice given, in this case, about the best system of education available at the least cost. Perhaps a better plan could be devised at slightly more cost, at the same time giving more consideration to the views of local minorities without sacrificing the majority objective of providing the kind of education that will fit the child for the world in which he will live.

Another part of this problem is how to protect individual rights in the decision-making process. A State legislature by majority vote may require that local school districts provide special teachers for otherwise-normal children who have serious hearing defects. But a local school board or administrator may be unwilling to provide this service to only one child because of the expense and red tape involved. The parents may not know that their child has the legal right to special education; or they may not have the money to hire a lawyer to see that their rights are enforced. The problem is how to assure that the decision-making process permits individuals and groups to fully exercise their rights, and to make sure that people are informed about them.

Intergovernmental Relations and Private Organizations

Most Federal-State-local programs are concerned with a single kind of government activity, for example, highways. In general, these programs involve a grant of funds from the Federal Government to the States, with a provision that the State must put up some additional money in a specified proportion. Expenditures under the program must also meet minimum standards and follow procedures established by the Federal Government. Sometimes the States provide for additional standards and procedures.

Some Federal programs, such as Federal aid for highways, are aimed at State governments. The State determines whether local governments take part. Other programs, such as Federal aid for airports and the urban renewal program, deal directly with the local government. Little is known about the effects of these alternative approaches either on State and local governments or on the programs concerned. Recently, some of the programs administered by the Office of Economic Opportunity, the Economic Development Administration, and the Appalachian Regional Commission have added variations to the relationship between the Federal Government and State and local governments, and have made clear that different objectives may call for different approaches at the local level.

Another aspect of the impact of Federal programs on local governments has been noted in metropolitan areas, although the situation also exists in rural areas (55, pp. 148-167). Federal programs such as the highway program, urban renewal, public housing, and others have been criticized for not coordinating their efforts when two or more of them are functioning in a single community. As a result, requirements have been imposed in recent Federal programs that any proposed physical facility must be in accord with a comprehensive or areawide plan for the locality. Whether certification as part of a comprehensive plan can bring about coordination in the building of community facilities, and what alternatives might be available, is another problem on which information is needed to help guide regional planning for economic development in rural areas. This presupposes some action and participation on the part of State and local governments in the region. The way in which the planning process operates in local and State governments is not widely understood.

A first step is the recognition that choices will need to be made by local people. The situation in rural areas will probably be similar to that in the New York City metropolitan area, where the process is described in these terms:

> "The choices open to people in regional planning are numerous, complex, and often conflict. One can't really decide on a pattern of development without first being exposed to the pain that will accompany the choice. Modifying the current market forces, for example, could call for an altered tax system, county and State involvement in zoning, or large-scale Federal aid for old cities, and many who favor a plan to modify market forces may find that they prefer not to tamper with the present governmental balance or tax system (18)."

The idea that regional economic growth in rural areas should be organized around growth points may require painful economic and political decisions by State and local officials in selecting the growth points. It may require equally painful choices by private organizations, such as local chambers of commerce, and mixed public-private organizations, such as local development agencies.

If rural areas are to be organized into economic development regions, it would be useful to know the effects of different organizational arrangements on economic development. Decisions made by the governing body of an eight-county development region might vary with the system by which the governing body is chosen. One system may permit voters in each county to elect one member of the governing body; or members may be chosen by existing city and county officials; or members of the governing body may be elected from electoral districts each of which contains approximately equal numbers of voters. Which localities were selected as growth points, for instance, might vary depending upon which of the three systems was selected for choosing the governing body. But at present we know little about the effects of the electoral system on the decision-making process.

Another problem of intergovernmental relations concerns the effect of locating responsibility for particular economic development activities at State, local, or national levels. Many European countries put the responsibility for providing low-income housing upon general-purpose local governments, such as cities and counties. Responsibility for other kinds of policy is placed on these local governments, such as the small holdings program in Great Britain in which county councils purchase small agricultural plots, combine them into larger, more economic agricultural units, and provide facilities and financing for their operation by individual farmers. In contrast, very little responsibility has been delegated to general-purpose local governments in the United States as agents for carrying out national programs. Instead, special units such as soil conservation districts and local housing authorities have been set up for this purpose.

In Western European countries, the responsibility for community development programs is generally assigned to the local governments, while in the United States, more emphasis is placed upon private, voluntary associations in cooperation with local governments.[15] Newer programs, such as those started under the Economic Opportunity Act, place additional stress upon citizen participation. Studies of the comparative roles and effectiveness of citizens' groups and local governments are needed, with a view to determining the advantages and disadvantages of alternative arrangements for reaching different goals.

INTEGRATED PLANNING FOR DEVELOPMENT

Communities, areas, and regions change. Some communities have grown, but others have declined. On the average, the counties which had no towns of 10,000 population or more lost population during the 1950's and before. These counties have also shown the smallest increase, or even a net decrease, in nonfarm employment. Businessmen and other citizens in such communities need to know in what way their business chances are related to changes in population and the economic and social conditions in which they operate. In such an environment, one corner store might flourish while three competing stores might go into bankruptcy. And not all communities that have lost population will continue to do so. New technology, new public programs, and new institutions constantly change the economic and social outlook for all communities and businesses.

While many people are nurtured by their communities, poor people have, in large part, been captured by theirs. There have emerged whole communities of poverty--areas with a high proportion of poor people. Together, these people cannot support the schools, the health facilities, the job training and placement services, and the community leadership to adjust to the modern economy. Modern technology has given and taken away. The rural town may be a bypassed railroad center, a former coal-mining town, the center of a farming area in which mechanization and farm enlargement have depopulated the hinterland, an outpost in a cutover forest, or a center that once flourished with manufacturing enterprises, the methods of which are now obsolete.

To a large extent, these communities have lost their former economic and social linkages with the rest of the Nation. Away from the mainstream of modern America, these communities have not benefited to the same extent from the battery of new programs designed to make them full partners.

A present need is to rebuild linkages among all communities, areas, and regions of the Nation. These new linkages will enable people to take advantage of their opportunities for service and commensurate rewards wherever they may be. In this connection, the community of 10,000 is a vital link with both smaller communities and residents of open country, and with larger communities, too. Our need for increased linkage cannot begin and end with any arbitrary town-size, nor with arbitrary county lines.

One way that has been advanced to "solve" the problems of poor isolated communities is to move all the people elsewhere. Over the years, there have been many resettlement programs in the United States and in many other countries. Although such resettlement may improve the economic position of many people, it really ignores the basic problem of area development. The problem is that: No matter how many people are helped to move from an area, some people will remain. Moreover, those people who remain are likely to be those who face the greatest hardship from isolation--the very young and the very old. The more such outmigration occurs, the more are the very young who remain trapped by poor schools, health services, community facilities, and lack of job opportunities.

Even if whole communities could be resettled, it is inconceivable that groups of counties (districts) or regions would be. Under a system of private enterprise, the emphasis is more properly placed on regrouping communities, on the selective emphasis of the complementary roles of various communities so that individuals and families have real freedom to choose where they wish to live. Public programs can catalyze increased job and training opportunities at the growth centers, which have the best chance to grow because they have special goods or services to sell. Public investment in roads, schools, hospitals, water and sewage systems, industrial parks and plants, and other capital goods confirms these opportunities. But it cannot make them.

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[15] Report of EPA project 337 (OEEC), "Community Development: Some Achievements in the U.S. and Europe," Paris, 1960, cited in Sanders (33, p. 311).

The practical evaluation of the extent and kind of development opportunities appropriate to an individual community can be made only after a careful comparison with other communities that are candidates for the same development. The job of judging the opportunities is much more difficult, however. Interrelationships between communities are important. Communities advance, or fail to advance, through joint efforts. Moreover, the advantages of one community, in relation to others, are constantly changing.

Thus we come to the need for planning, for systematic examination of opportunities for disadvantaged communities, areas, and counties. Planning has been very successful at the national level: Why not at the county level? No doubt, one could point to many wealthy counties, ones with large populations, where planning has, in fact, paid off. On the whole, however, most of the disadvantaged counties of today were the disadvantaged counties of 10, 20, and 30 years ago.

Many depressed counties are dominated by small farms and have no large towns. How much change is really possible unless plans for such a county are linked to those of a county with other income and employment prospects? Experience with the Area Redevelopment Administration program highlighted the need to plan for groups of counties together. In that way, it should be easier to reconcile the goals of all local citizens, so that projects can be developed that have a greater chance of success. Also, it should be more possible to hire the staff needed to develop, maintain, and revise the plan. This staff support can be considered a crucial need in building new economic and social linkages between the depressed areas and the mainstream of the American economy.

Components of the Planning Process

The planning process provides a way of melding action and research programs to attack relevant and important problems--to convert these problems into continuing opportunities. To link all sectors and all groups of the Nation, this process is needed in and among all sectors and all groups. Most notably, the process is needed at the district and regional levels, so that counties can be linked more strongly to States, and so that States themselves can be linked more strongly. Strengthening this planning process will strengthen the Federal, State, and local systems of Government as well as the system of private enterprise. Feedbacks and interactions among all groups attacking common problems can then be more productive, since there will be a more systematic basis for discussion and action.

Throughout the planning process, provision is needed to determine the objectives of the people of the area. It should be recognized that planning is an educational process through which stated objectives may change, sometimes restating goals more realistically or seeing opportunities previously overlooked. For any one unit (an area, a district, or a region), the components of planning can be thought of as comprising the following steps: (1) Specify objectives; (2) develop criteria for measuring attainment of these objectives; (3) analyze the existing environment to determine why these objectives have not already been attained and suggest ways of attaining them; (4) formulate alternatives (actions) to attain objectives, breaking these alternatives into their major component parts and ordering priorities; (5) analyze the possible and probable consequences of the various actions, taking into account what is to be done, who is to do it and how, and what assistance the action-takers need, giving particular attention to the interrelationships among various actions to point out likely bottlenecks. Formulate a schedule of actions and required supporting conditions with all necessary and feasible supporting detail. React with those likely to be responsible for the actions and those who will be affected by them so that the costs, benefits, and feasibility of the various alternatives can be precisely and sufficiently spelled out.

These steps should follow immediately: (1) Evaluate the various alternatives, including both the areas of ignorance and the areas of knowledge concerning them, giving particular attention to specifying the range of possible consequences and the likely extreme effects of alternative actions; (2) select a coordinated set of courses of action with adequate spelling out of needed sequences and priorities, individual and group responsibilities, and the needs of these action-takers for continuing information, staff support, and funds; (3) carry out the set of coordinated actions with maximum involvement of competent people and provision for gathering data to guide improvements in the program; (4) check the performance of the program on a continuing, positive, and realistic basis with the major objectives kept continually in mind; and (5) reexamine the objectives to see if they are realistic and significant, assessing the relationship between the means and the objectives. If the limited means dictate major scaling down of the objectives, can significant objectives be attained in a socially acceptable time? If the objectives cannot reasonably be scaled down, what extra resources are needed to attain them? This whole process should then be repeated, with adequate consultation with other planning units and the government units (legislative and executive) that they are serving.

Integrated District Planning

Development of a district or region is a continuous process of upgrading the opportunities for a better life for all citizens. Planning by all interested residents, businesses, organizations, and government is a means of accelerating this development.

Regions can usually be expected to include at least 1 million citizens. It is unlikely that the objectives of a feasible regional plan will envision large-scale, outmigration of these people. However, feasible regional objectives will be likely to include: (1) Enlargement of nonfarm employment opportunities at selected locations, and the coordinated improvement of training and transportation facilities so that exports of goods and services from the region can be increased; (2) working with industry and Government to induce more skilled, professional, and experienced administrative people to migrate to the region in response to competitive income and employment opportunities; and (3) working with Government at all levels to ensure that (a) transportation facilities to and from the region and among growth centers within the region are developed in ways that enhance the competitive advantage of the region, and (b) transportation facilities radiating from growth centers increase the access of rural people to job, education, training, and other social and economic opportunities. An important overall objective of a regional plan is to organize development projects to hedge against future severe reductions in regional employment levels as a result of technological change. Coordination of district plans with a regional plan, and coordination of regional plans at the national level, should facilitate this hedging without stifling local initiative.

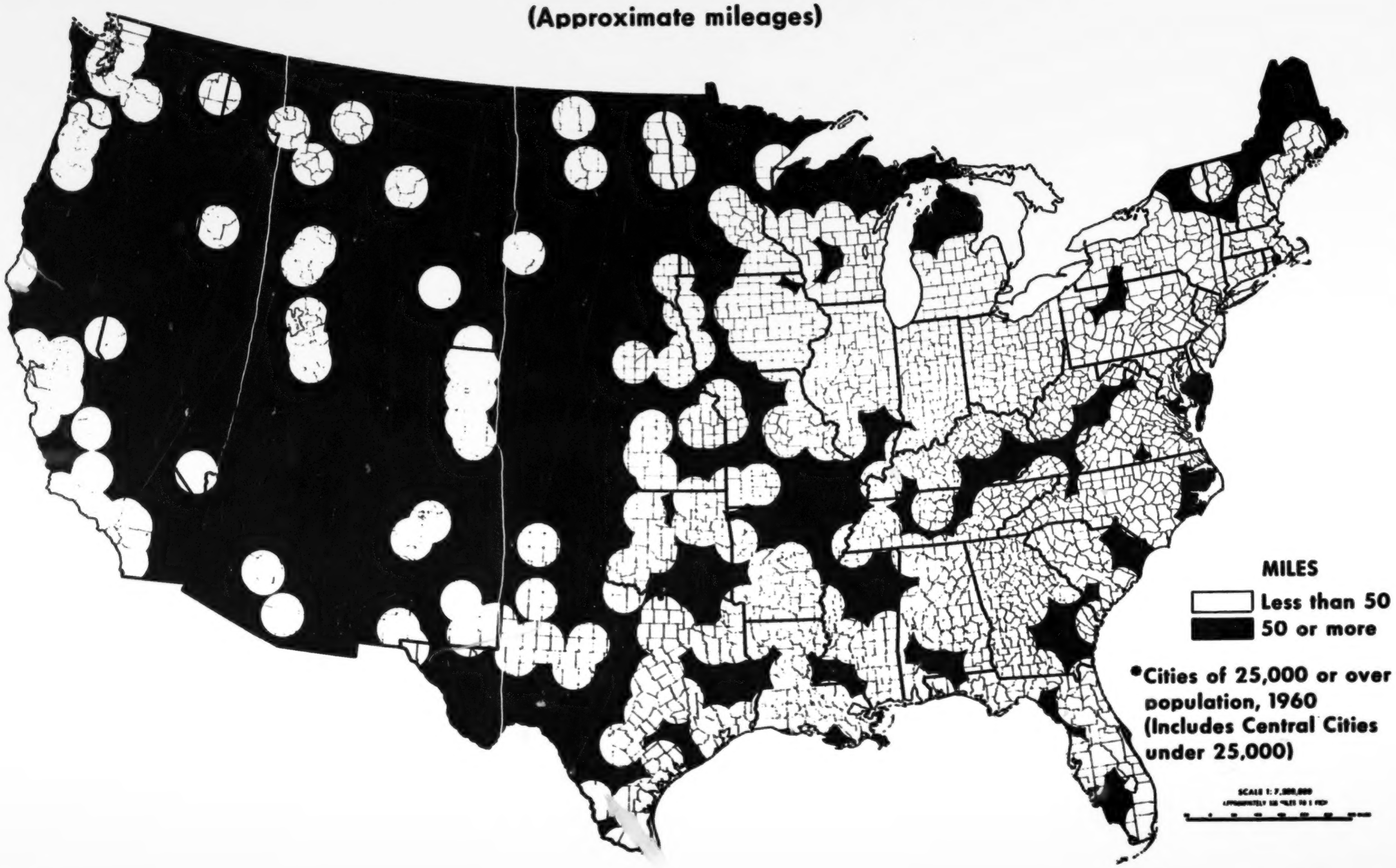
Districts can be expected typically to include 50,000 to 250,000 people living in 3 to 10 adjoining counties. The extent to which individual plans include outmigration programs will vary. However, all district plans are likely to call for some inmigration of skilled and professional people. In districts with the least growth potential, a higher proportion of these skilled in-migrants are likely to be Government employees--teachers and medical personnel, for example. The potential increase in nonfarm employment will be likely to vary a great deal among districts. For all districts, however, a common component of development plans will be the reorganization and upgrading of medical, health and welfare, and education and training services so that socially acceptable minimum levels of service can be provided to all citizens at tax rates consistent with their ability to pay for them. District plans will provide for the reorientation of the local economy, so that local citizens will have opportunities for self-improvement comparable to those enjoyed by other U.S. citizens.

Present-day communications and travel greatly enhance the possibilities for bringing a quality and variety of public services to persons in outlying areas equal to those of people living in the large metropolitan centers. To take advantage of the opportunities, it is essential to plan for the efficient integration and interrelationship of facilities and services throughout an area of sufficient scale. For every small hamlet to attempt to offer its own complete set of social services would result in extremely high costs and poor quality of services. Only by serving a large population is it possible to provide diversity of services and to achieve the economies of a large service load per agency employee. School consolidation provides a striking example of what is accomplished by enlarging the area served by one facility.

Because of the sparseness of population outside the major metropolitan centers, each facility in outlying sections needs to be spaced geographically to serve as large a clientele as possible (fig. 7). But at the same time, it is necessary to

GENERALIZED COMMUTING DISTANCES TO POPULATION CENTERS*

(Approximate mileages)


MILES
Less than 50
50 or more

*Cities of 25,000 or over population, 1960 (Includes Central Cities under 25,000)

U.S. DEPARTMENT OF AGRICULTURE

NEG. ERS. 3295-64(10)

ECONOMIC RESEARCH SERVICE

Figure 7

provide convenient access and close contact for the people served. Better telephone service, better automobiles, and all-weather roads make the size of an area that can be served in outlying sections larger than it used to be. Commuting time by automobile is a major consideration in setting limits on the area that can be served.

Planning all or several services in relation to a single commuting center makes it possible to realize the advantages to be gained from integrated planning. The importance of integrated planning is growing because planning requirements have been established for many new development efforts and improved services, to keep costs within bounds and to achieve maximum benefits.

Major programs being planned, or needed, are: General and Vocational Education, Job Training, Rural Industrialization, Community Action Programs of the Office of Economic Opportunity, Environmental Improvement, and Rural Home and Family Improvement. Rural Home and Family Improvement includes existing U.S. Department of Agriculture programs and a concerted outreach effort for welfare, service, and loan and cost-sharing grant programs of other Federal agencies that now reach people primarily in urban centers.

Integrated planning makes the total bundle of programs more effective than the sum of the individual programs in isolation would be, because it ensures that programs will comprise a comprehensive and logical effort to solve the community's total problem. Education and training need to be planned in light of Rural Industrialization efforts. The Community Action Programs and Rural Home and Family Improvement activities need to be planned to avoid gaps and duplication. Environmental Improvement needs to be planned in relation to Rural Industrialization efforts and Community Action Programs.

Integrated planning is instrumental in the economic development of rural areas and the small cities with which they are associated. It helps to secure clustering of activity at centers which are of sufficient size to be viable. For many stagnant towns, it can provide the seed leading to initial rejuvenation. After that, growth frequently begets growth. The existence of a commuting center of sufficient size is reassuring to businessmen, whose particular concern is to have an adequate labor supply. Local education and training programs help to attract high-paying industries, enabling native residents to stay in the area and to earn good incomes. Integrated planning for a commuting center can ensure that the transportation and communication links with home office, competitors, or markets in other centers or larger cities are rapid. The educational and cultural advantages that can result from careful planning help to make a small center attractive in comparison with larger ones. The advantages of wholesome air, scenery, freedom from congestion, and easy access to the countryside can then become effective in "competition" with metropolitan centers. All these advantages are attractive to management people who are influential in making locational decisions.

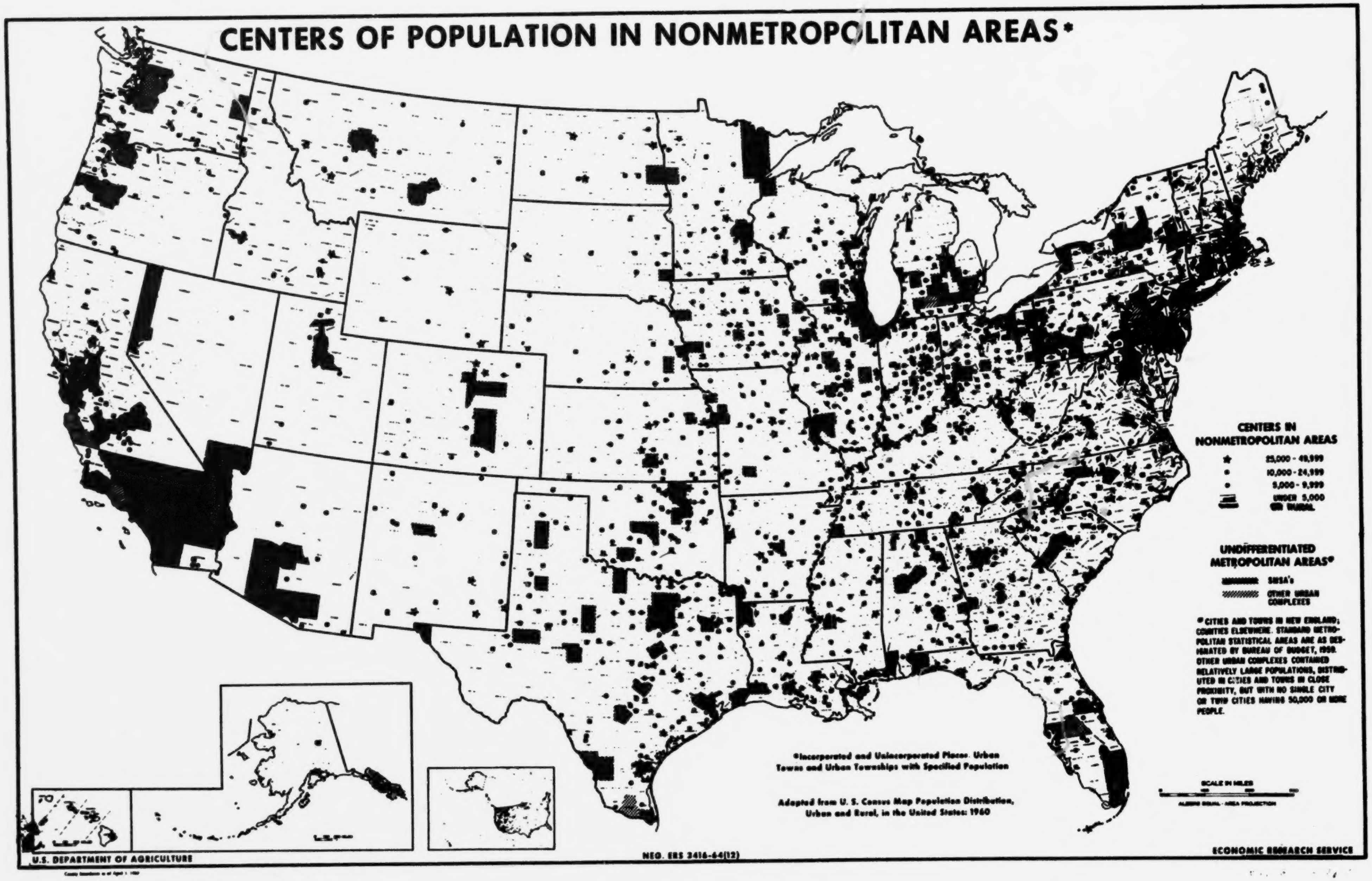
What are the guidelines for determining the size of an area within which residents should join to carry out integrated planning? First, if population is not too critically sparse, the center should be within commuting distance of all residents who normally use it for their business, social, and other needs. Second, the population of the area should be large enough so that there will be sufficient users of each essential service to justify employing competent resident specialists. The specific criterion should be to make it feasible to provide the quality and variety of services that will bring opportunity to rural Americans on a par with opportunity for those living elsewhere (fig. 8).

At critically low levels of population density, it will be more practical to provide major services on a mobile basis, rather than for the distant residents to commute. Especially in the Great Plains, where towns of even 10,000 are scarce, population is so sparse that the whole planning approach may need to be carried out on a different basis.

A Model District

The concept of a "Model Rural Opportunity Development District" is useful in furthering integrated area-wide planning. As an illustrative planning situation, the model is useful for designing facilities, estimating personnel requirements and costs, and examining problems of integrated planning of programs.

In rural America, most areas suitable for integrated planning will be of the full size of the model, in that some residents will have to commute a maximum distance.


CENTERS OF POPULATION IN NONMETROPOLITAN AREAS*

CENTERS IN NONMETROPOLITAN AREAS
★ 25,000 - 49,999
● 10,000 - 24,999
● 5,000 - 9,999
UNDER 5,000 OR RURAL
UNDIFFERENTIATED METROPOLITAN AREAS°
SMSA's
OTHER URBAN COMPLEXES
SCALE IN MILES
ALBERS EQUAL-AREA PROJECTION
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° CITIES AND TOWNS IN NEW ENGLAND; COUNTIES ELSEWHERE. STANDARD METROPOLITAN STATISTICAL AREAS ARE AS DESIGNATED BY BUREAU OF BUDGET, 1959. OTHER URBAN COMPLEXES CONTAINED RELATIVELY LARGE POPULATIONS, DISTRIBUTED IN CITIES AND TOWNS IN CLOSE PROXIMITY, BUT WITH NO SINGLE CITY OR TWIN CITIES HAVING 50,000 OR MORE PEOPLE.

*Incorporated and Unincorporated Places. Urban Towns and Urban Townships with Specified Population

Adapted from U. S. Census Map Population Distribution, Urban and Rural, in the United States: 1960

Figure 8

This is in the neighborhood of 50 miles, or 1 to 1 1/2 hour's driving time. The population of an area suitable for planning will vary tremendously. Costs per person served will be somewhat less in larger centers which might have 50,000 population than in smaller centers with population as low as 10,000. For the model, a central town of 25,000 persons is chosen, representing a planning situation commonly encountered in a setting outside major metropolitan areas.

The total population of the Model Rural Development District is 75,000, of which 50,000 live within commuting distances in the area surrounding the central town. The district contains 23,000 poor and 52,000 nonpoor. Significant groupings for planning are: (1) The children and youth under 18 years old, and (2) the age groupings of the family heads in poverty. For the 28,000 children and youth, 9,000 are aged 0-5; 14,000, 6-13; and 5,000, 14-17. Of the 5,700 family heads in poverty, 300 are under 25 years old; 1,600 are 25-44; 2,000 are 45-64; and 1,800 are more than 65 years old. This model can be used to estimate a typical cost per person served by a program. Total cost of a program can then be estimated by multiplying by the total number of people in the Nation to be reached.

Community Planning Assistance

Guidelines are given in this section for establishing priorities in allocating community planning assistance. Three major questions are relevant. First, what are the objectives that might be considered in programs of community planning assistance? Second, what kind of appraisal might be made of legislation and administrative practice in existing programs of planning assistance? Third, given the objectives for various programs of planning assistance, what should be the criteria for allocating assistance among areas of the Nation?

Overall objectives.--A list of objectives toward which programs of community planning assistance might be aimed can serve as a reference point for appraising the objectives of existing programs. Essentially, the list is an inventory of what is desired for rural America. The objectives in broadest form are: (1) Bettering the lot of people in rural areas; (2) increasing opportunities for people to live in rural America; and (3) bettering the lot of people not in rural areas.

The first broad objective which should be incorporated into programs of community planning assistance is that of bettering the lot of people residing in rural areas. This objective has two aspects. One is raising the incomes of individuals and families in rural communities. The second is improving the public services, public facilities, and cultural opportunities available to people in these communities. The objective of raising incomes may be expressed in a number of more specific ways, such as raising the incomes of all people so that the average or median income of a community is improved. A valid goal of policy here might be to narrow income gaps between urban and rural areas. The income objective also can emphasize improving the incomes of particular groups in rural areas, such as those in poverty or those unemployed.

The second goal concerned with improving conditions for people in rural communities, to increase the public services and amenities, in effect improves their levels of living. This objective might be stated in terms of minimum desirable public services for rural communities, or in terms of typical levels enjoyed by people in urban areas, thus providing a norm or goal for rural communities.

Another objective for communities in rural America is that of increasing opportunities in these areas so that populations may be stabilized and possibly increased. Fulfillment of this objective entails the creation of jobs with adequate pay in rural areas. A minimum statement of this objective might be the slowing down of outmigration of people from rural communities and the stabilization of local populations. A more ambitious interpretation could be the actual stimulation of inmigration leading to population increases. Increases in population, of course, should not be made at the expense of decreases in levels of living. The objective would be to increase population and the living standards of people simultaneously.

Another goal of rural community assistance planning deals primarily with improving the lot of people not now in rural areas. Two groups that may be included here are people in urban areas and future generations. Bettering the lot of people in urban areas is an important objective for many programs of planning assistance, particularly for those plans related to resource development. People in urban areas can and should benefit from resource planning and development. A similar case can be made for future generations in both rural and urban areas.

Three decision-making frameworks.--Appraising the allocation of community planning assistance can be done in the framework of three types of decisions. Each involves a different level of departure from existing legislation and administrative procedures. A first course of action in appraising programs involves accepting the objectives and tools of planning programs as stated in existing enabling legislation. In this decision framework, the main area open for appraisal is the criteria for allocating assistance among areas; often this is also specified in the legislation. Where the allocation criteria are the prerogative of administrators, analysis might be made of whether the allocation criteria tend to maximize the objectives of the programs.

The second possible framework for decision would be to accept the tools specified in existing programs of planning assistance, but to allow consideration of the full set of three objectives discussed above. For example, the objectives of a program like Soil Conservation District planning might be reappraised. Existing legislation specifies that conservation of soil and water resources is the main objective of the program. Conservation planning is to be supported throughout the Nation. An alternative approach might be to substitute an objective such as growth in income for conservation per se. The problem in soil conservation planning would then be how to achieve increases in income through soil conservation planning, focusing mainly on areas with low incomes.

The third framework involves a consideration of actually modifying the tools--loans, grants, and technical assistance--of planning programs. The question would be whether the tools of existing programs are the appropriate ones for tackling various objectives, and if not, what the appropriate planning tools would be.

The criteria for the approval and allocation of planning assistance to be discussed in the next section should fit whichever decision framework is selected.

Criteria for allocation of assistance.--The goal in allocating community planning assistance is to maximize output of the activity per dollar expended. Output is defined in terms of the objectives of the planning programs. A range of alternatives in objectives and a framework for considering the range of possibilities in objectives and tools have been presented above. Once objectives and tools are decided upon, the problem of the allocation of planning assistance is narrowed to determining maximization of output for the distribution of assistance among areas.

The criteria enumerated here as possible guidelines in the allocation of planning assistance are adaptable to any of the three types of decision situations. They also can be given more specific form so as to be potentially useful for the administration of particular programs of planning assistance.

Given a set of policy objectives for a particular program of planning assistance, and the goal of securing as much output of the specified objectives as possible per dollar of planning assistance to be expended, then what criteria should guide the allocation of planning assistance among geographic areas? Essentially three criteria should be considered: (1) The status of areas relative to the objectives; (2) the technical quality of the proposed planning; and (3) program strategy considerations. Specific content and weights will need to be given to these criteria to allocate planning assistance among areas under any given program. However, a discussion of the criteria will suggest why they should be employed, and examples will indicate how they might be made more specific.

Status of areas.--Limited funds for planning assistance dictate that an allocation has to be made among areas. The main justification behind most Department of Agriculture planning assistance is that certain conditions (indicated by policy objectives) are less than desirable in at least some rural communities of the Nation. This indicates that two important initial considerations in the areal allocation of planning assistance are: (1) The geographic incidence of communities below the norm stated in the policy objectives of a given program of planning assistance, and (2) the actual ranking of below-norm communities according to the degree of their deficiency. The rationale is that the allocation of planning assistance among communities should be at least partly dictated by the magnitude of their deficiencies. Planning assistance should be allocated where problem situations exist.

In a simple example, this means that if reduction of excess numbers of low-income families in rural communities is the policy objective, and if an appropriate planning assistance program is devised to raise their income, then the allocation of planning assistance among areas under the program should be confined to communities with excess numbers of low-income families. Also, allocation among communities with excess numbers of low-income families should at least partly be determined by their incidence among areas being considered eligible for assistance.

Many of the specific policy objectives either implied above, or contained in existing legislation authorizing various planning assistance programs, are amenable to numerical measurement, so that below-norm areas might be isolated and the degree of their problem estimated. This would separate out areas for primary concern and allow for the application of other allocation criteria to be used in relation to them.

Technical quality.--A second criterion for the allocation of planning assistance among areas concerns the technical quality of the proposed planning, to insure that planning assistance is funneled into areas where the quality of the planning product will be highest. Given limited dollars for planning assistance, some effort should be made to differentiate among areas relative to the technical quality of the planning that will be performed. Three elements fall under this criterion: (1) The delineation of a suitable planning area; (2) the nature of planning guidelines for each program; and (3) the qualifications of the people doing the planning.

The first element is the question of an appropriate planning area. This criterion will differ considerably among types of programs. Variations in tools (means to objectives) among programs will probably dictate the selection of specific-type areas by program. The crucial question for each program is what type of areal delineation best fits the tools of the program, so that the objectives may be reached.

At least three factors may be involved in the delineation of areas--physical, economic, and administrative. Which factor is paramount in area delineation for a program depends largely on the tools of the program. An example of the problem of appropriate area delineation might be found in watershed planning assistance undertaken to provide the overall economic growth (increase in local employment and income) of communities. Since the tool deals with a physical unit, the watershed, the area must conform in large part to a watershed. However, the problem of area delineation may not end there. If the result is to be economic development, many effects of the program in a given area may spill over from the physical confines of the watershed to nearby communities; that is, the watershed may be in the labor-commuting or trade area of a nearby urban center. In such a case, the planning area might be extended beyond the watershed itself.

In other cases, the areal unit may need only to be the county which can administer the program. Programs dealing with overall economic development probably should be tied to nodal or functional economic areas which embrace the territory tied economically to a small or large center of population. Economic relationships are so closely interrelated within such an area that any program of planning and action is bound to affect all segments of such an area.

A second element in the technical quality of proposed planning is that of planning guidelines for each program of assistance. This, in essence, is the problem of setting standards for the proposed planning effort to insure a good product. The specific content of planning guidelines will again depend on the program involved. The objectives and tools of different programs will dictate what will be involved in a satisfactory planning effort.

An example might be in planning for overall economic development. The objective necessitates an appraisal of the entire economy of a community and determining its strengths and weaknesses. An appraisal needs to be made of possible actions within the community that might promote development, and requires certain specific types of analyses. These analyses, if needed, should be specified ahead of time, and the allocation of planning assistance funds should be made to areas able to perform the needed analytical steps. Under each program, the problem of what constitutes a good plan must be faced and guidelines specified accordingly.

The third element under technical quality of the proposed planning concerns the qualifications of the people doing the planning. Other things being equal, variations in the availability of qualified planning personnel among areas should influence the allocation of assistance, because qualified personnel in an area will help to insure maximum returns from resources committed to planning.

Program strategy.--A third criterion for the allocation of planning assistance funds among areas involves the following program strategy considerations: (1) Planning that would take place without this particular assistance; (2) the implementation feasibility of a plan including local enabling laws and degree of local support; and (3) pilot experience gained from a project.

The first consideration deals with the need to provide Federal planning assistance. If it is being considered for two areas, but planning is likely to occur in one of them, even if the request for Federal assistance is denied, then a priority should be given to allocating assistance to the other. In line with the purpose of attaining maximum contribution to objectives per dollar of Federal cost, planning assistance should be allocated to fill in gaps where local or State efforts are not providing the service. Thus, the function of Federal assistance should be to promote planning in areas in which it otherwise would not be likely to be done.

The second strategy consideration involves the important element of implementation feasibility of the plan among areas. Planning assistance, other things being equal, should be allocated to areas where planning is apt to be actually carried out. This entails at least two factors important at the area level. First, is the existence of local laws enabling the planning program to be initiated and carried out. The absence of such legislation in certain programs has, in the past, impeded the carrying out of some programs. A second consideration is the amount of local support among areas for the proposed program of planning assistance. Persons engaged in community planning have repeatedly stressed that local support is crucial in the success of a planning program and of subsequent activities recommended in the planning process. It would therefore seem essential that this factor be weighed carefully in the allocation of planning assistance among areas, and that attempts be made to assess possibilities before planning resources are committed.

The third factor under program strategy considerations involves pilot projects. Often programs of planning assistance are undertaken initially on a pilot basis, to provide a background of experience to guide the main program of planning assistance. Among the various pilot projects, the objective may be to gain perspective on a wide variety of areas and conditions in which planning could occur.

Authorizations for Planning Assistance

Under Title II of the Economic Opportunity Act of 1964, as amended, the Director of the Office of Economic Opportunity is authorized to make grants and provide technical assistance to States and communities for overall plans known as Community Action Programs.

Under the recently enacted Public Works and Economic Development Act, the Economic Development Administration is authorized to make grants to economic development districts that include two or more redevelopment areas, to help defray staff and administrative costs involved in developing plans for the economic growth of such areas. Grants may not exceed 75 percent of the costs. It is contemplated that the funds provided will be used in conjunction with other available planning grants, such as those authorized under the Housing Act of 1954 as amended. In addition, the Economic Development Administration is authorized to provide technical assistance to Regional Action Planning Commissions established under the act, to help in the development of comprehensive regional plans for the economic growth of the region.

Under the Appalachian Regional Development Act of 1965, planning funds may be provided for various purposes to promote area economic development.

Under Section 701 of the Housing Act of 1954, as amended, the Urban Renewal Projects Administration is authorized to make grants up to two-thirds (three-fourths in designated redevelopment areas) of the cost of financing comprehensive planning activities. Although referred to as urban planning assistance, county, official State, metropolitan, and regional planning agencies, as well as cities and other municipalities, may qualify for grants. While comprehensive planning is indicated, planning for individual segments of community development such as highways and sewers is permitted, if determined to be an integral part of an overall plan to be developed over a longer period.

The Soil Conservation Service (SCS) of the Department of Agriculture is authorized to conduct detailed soil surveys to determine the types of soils within an area and to make interpretations as to their most appropriate use (agricultural, recreational, etc.). The information developed as a result of these surveys has frequently been used as an integral part of the plans developed with the aid of a planning grant from the Urban Renewal Projects Administration. The SCS also furnishes leadership to local groups which initiate and sponsor Resource Conservation and Development Projects. The programs involve land conservation and utilization in areas where the acceleration of current conservation activities and new authorities will offer economic opportunities to the people. Local legal entities and Soil Conservation Districts work together in county or multicounty areas in a unified cooperative and coordinated system.

Rural Renewal is a pilot program operating in a limited number of areas designated by the Secretary of Agriculture under section 102 of the Food and Agriculture Act of 1962. The Farmers Home Administration provides loans, grants, and technical assistance to authorized county or multicounty Rural Renewal Authorities. In rural renewal areas, agriculture and forestry are important components of the local economy, and there is chronic underemployment on the farms and unemployment in the surrounding communities. The local borrowing agency designated to receive rural renewal loan funds may, as local laws permit, buy and sell property, raise revenue, meet financial obligations, and transact other necessary business functions, including: purchasing and consolidating small tracts of land or dividing large tracts; constructing water and sewer systems; purchasing and developing land; and carrying out conservation measures.

Under the Consolidated Farmers Home Administration Act of 1961, as amended, the Farmers Home Administration is authorized to make loans and grants to nonprofit corporations and rural communities (up to 5,500 population) to plan, construct, improve, or extend water and sewer systems. The maximum loan is $4 million for up to 40 years, at an interest rate up to 5 percent. Grants may not exceed 50 percent of the cost.

Other important new programs that require further explicit planning on the part of communities, and can be thought to provide extra financing are: Manpower Development and Training Act, Elementary and Secondary Education Act, Higher Education Act, and the Highway Beautification Act.

The Community Development District Act of 1966, now pending in Congress, combines the three objectives of planning assistance discussed above, and adopts the recommended criteria for allocating this assistance. The bill is intended "to provide needed additional means for the residents of rural America to achieve equality of opportunity by authorizing the making of grants for comprehensive planning for public services and development in community development districts approved by the Secretary of Agriculture."

Community development districts would be any areas so designated under State law, provided that participating local units of government within these districts have requested such designation. Primary responsibility for planning under this act is placed on State and local government bodies. Planning assistance would be regarded as an additional resource, not in conflict with any now existing.

Upon designation of a district in this bill, a community development district planning agency, composed of representatives of county and municipal governments in the district, would be established and directed by a community development district board. The board would be representative of the whole district and responsible to the governing bodies electing the membership. The planning agency created by the board would receive the grants authorized under Section 701(h) of the Housing Act of 1954, as amended. Grants would not exceed 75 percent of the costs of professional planning staff for the community development district and for other planning of public services and functions of participating governments where Federal planning grants are not otherwise available. The grants would be made by the Secretary of Housing and Urban Development when they had been approved by the Secretary of Agriculture and in amounts certified by him. This program represents a joint planning effort to benefit both urban and rural people.

Community development districts are conceived as multicounty in size, typically containing a small or medium-sized city at the center surrounded by primarily rural counties. The outer limits of the district would be set by normal commuting range to the urban center. The district might also have one or more market or county-seat towns within it. Delineation of the district would depend primarily on the visiting and shopping patterns of the residents in determining desirable and feasible outer boundaries and contours of the district as a planning unit.

The overall objectives of the Community Development District Act, in addition to enhancing the quality of rural life for present and future residents, include increasing the efficiency of resource use; providing full representation of State and local government units in planning activities which can bring about opportunities in rural areas equal to those in urban life; improving the relationships between and the welfare of both urban and rural people; and facilitating greater cooperation among agencies at all levels to establish multicounty community development districts to improve rural life in America.

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Table 14.--Population of the United States by urban and rural residence, 1920-65

Year	Population					Percentage change over preceding period				Percentage of total		
	Total	Urban	Rural			Urban	Rural			Urban	Rural	
			Total	Nonfarm	Farm		Total	Nonfarm	Farm		Nonfarm	Farm
	Thou.	Thou.	Thou.	Thou.	Thou.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Current urban definition 1/												
1965	193,258	---	---	---	2/ 12,363	----	----	----	-20.9	----	----	6.4
1960	179,323	125,269	54,054	38,419	2/ 15,635	29.3	-0.8	22.2	-32.2	69.9	21.4	8.7
1950	151,326	96,847	54,479	31,431	3/ 23,048	----	----	----	-----	64.0	20.8	15.2
Previous urban definition 1/												
1950	151,326	90,128	61,198	38,150	3/ 23,048	20.6	6.5	40.0	-23.7	59.6	25.2	15.2
1940	132,165	74,705	57,459	27,243	3/ 30,216	8.0	6.3	14.1	0.2	56.5	20.6	22.9
1930	123,203	69,161	54,042	23,884	3/ 30,158	27.7	4.8	18.3	-3.8	56.1	19.4	24.5
1920	106,022	54,253	51,768	20,409	3/ 31,359	----	----	----	-----	51.2	19.2	29.6

1/ Under the current definition, the urban population is comprised of all persons living in urbanized areas and in places of 2,500 inhabitants or more outside urbanized areas. In previous years, the urban population was comprised of all persons living in incorporated places of 2,500 inhabitants or more. In both definitions, the population not classified as urban constitutes the rural population.

2/ Annual averages derived from the Current Population Survey.

3/ Conterminous United States.

Source: 1960 Census of Population, (42, vol. 1, pt. 1; vol. II, PC (1) 1A;) and Current Population Rpts. Ser., Census-ERS, P-27.

Table 15.--Rural population and summary of selected characteristics by residence for United States, regions, and States, 1960

Area	Rural population			Percent of rural total		Percent in labor force			Replacement ratios for working-age group, 20-64 years, 1960-70			Median family income, 1959			Dependency ratio 1/			Number of children ever born per 1,000 women 35-44 years old, 1960		
						Rural			Rural			Rural			Rural			Rural		
	Total	Non-farm	Farm	Non-farm	Farm	Total	Non-farm	Farm	Total	Non farm	Farm	Total	Non-farm	Farm	Total	Non-farm	Farm	Total	Non-farm	Farm
	Thou.	Thou.	Thou.	Pct.	Pct.	Pct.	Pct.	Pct.				Dol.	Dol.	Dol.						
United States	54,054	38,419	15,635	71.1	28.9	35.1	36.8	31.0	177	184	160	4,382	4,750	3,228	863	863	861	3001	2889	3337
Regions:																				
Northeast	8,838	7,719	1,119	87.3	12.7	37.0	37.6	32.7	158	159	152	5,571	5,676	4,389	809	806	835	2583	2535	3039
N. Central	16,138	10,302	5,836	63.8	36.2	35.6	36.3	34.4	157	164	146	4,672	5,181	3,590	880	899	843	2961	2848	3176
South	22,813	15,653	7,160	68.6	31.4	33.5	36.1	27.9	199	210	176	3,340	3,681	2,433	882	881	887	3211	3086	3566
West	6,266	4,746	1,520	75.7	24.3	36.7	38.4	31.6	177	184	156	5,257	5.390	4,653	828	825	837	3011	2958	3211
States:																				
Maine	472	411	61	87.1	12.9	35.8	36.7	29.5	166	168	150	4,378	4,466	3.569	885	883	906	2999	2948	3442
N. H.	253	231	22	91.3	8.7	39.9	40.3	36.4	148	149	135	5.380	5.426	4.625	834	832	851	2599	2584	2808
Vt.	240	184	56	76.7	23.3	37.5	38.0	35.7	167	167	168	4,544	4.738	3.531	888	890	879	2964	2845	3447
Mass.	846	796	50	94.1	5.9	38.2	38.7	32.0	162	164	123	6,310	6,346	5,364	813	814	804	2522	2512	2776
R. I.	117	111	6	94.9	5.1	39.3	40.5	33.3	176	178	136	5,545	5,571	4,574	770	770	789	2370	2339	3345
Conn.	550	514	36	93.5	6.5	39.3	39.7	30.6	161	164	115	7,118	7,155	5,572	775	777	749	2333	2327	2483
N. Y.	2,450	2,063	387	84.2	15.8	36.9	37.4	33.9	153	154	148	5,772	5,924	4,504	838	835	856	2645	2593	3013
N. J.	692	621	71	89.7	10.3	38.0	38.6	31.0	144	148	113	6,084	6,177	4,794	763	765	731	2375	2355	2640
Pa.	3,217	2,789	428	86.7	13.3	36.1	36.6	32.5	162	161	168	5,187	5,274	4,294	785	780	828	2579	2520	3093
Ohio	2,583	2,002	581	77.5	22.5	34.6	35.0	33.6	178	190	148	5,456	5,700	4,210	871	874	862	2866	2809	3104
Ind.	1,752	1,213	539	69.2	30.8	36.5	37.6	34.0	168	185	138	5,269	5,577	4,317	847	852	832	2794	2732	2954
Ill.	1,941	1,320	621	68.0	32.0	35.9	37.0	33.5	142	148	131	5,022	5,479	3,815	829	846	790	2686	2618	2843
Mich.	2,084	1,598	486	76.7	23.3	34.7	35.0	34.0	175	182	157	5,430	5,615	4,561	894	898	877	3035	2966	3282
Wis.	1,430	836	594	58.5	41.5	36.3	36.0	36.7	154	145	167	4,700	5,169	3,821	932	948	905	3215	2997	3544
Minn.	1,291	667	624	51.7	48.3	35.3	36.0	34.5	151	148	154	3,944	4,626	3,099	948	996	893	3382	3189	3589
Iowa	1,295	592	703	45.7	54.3	35.9	38.0	34.1	145	132	156	3,985	4,626	3,352	896	966	833	2958	2813	3076
Mo.	1,443	848	595	58.8	41.2	35.3	36.6	33.6	145	164	124	3,447	3,923	2,782	853	902	776	2871	2815	2955
N. Dak.	410	203	207	49.5	50.5	34.9	35.0	34.8	166	153	179	3,849	4,250	3,432	932	965	900	3571	3413	3708
S. Dak.	413	196	217	47.5	52.5	35.6	37.2	34.6	152	149	155	3,396	3,931	2,860	931	991	873	3288	3126	3422
Nebr.	645	316	329	49.0	51.0	36.7	39.2	34.7	137	135	140	3,717	4,184	3,243	882	957	806	2957	2832	3071
Kans.	850	510	340	60.0	40.0	37.4	38.2	35.9	140	151	126	4,354	4,756	3,681	849	876	806	2832	2723	2991

Del.......:	154	127	27	82.5	17.5	39.6	40.9	33.3	165	176	124	5,136	5,295	4,248	784	786	768	2530	2477	2839
Md........:	847	715	132	84.4	15.6	38.5	39.6	33.3	186	193	154	5,305	5,434	4,253	776	770	821	2622	2558	3084
Va. :	1,762	1,295	467	73.5	26.5	34.5	36.1	30.2	196	210	162	3,791	4,091	2,776	828	824	840	2908	2844	3137
W. Va.....:	1,149	994	155	86.5	13.5	27.8	28.3	24.5	200	206	159	3,843	3,982	2,841	898	906	837	3236	3240	3198
N. C......:	2,754	1,804	950	65.5	34.5	36.2	40.2	28.6	235	248	213	3,405	3,828	2,247	845	818	916	3043	2835	3562
S. C......:	1,401	968	433	69.1	30.9	35.7	39.6	27.0	279	288	255	3,266	3,648	1,982	942	904	1070	3385	3119	4240
Ga........:	1,763	1,248	515	70.8	29.2	36.0	39.4	27.6	224	235	197	3,330	3.659	2,314	888	880	918	3397	3268	3804
Fla.......:	1,290	1,133	157	87.8	12.2	35.8	37.2	26.1	168	169	161	4,060	4,119	3,371	831	832	818	2842	2805	3214
Ky........:	1,685	1,067	618	63.3	36.7	30.6	31.5	29.1	203	234	160	2,953	3,285	2,467	897	926	840	3367	3374	3352
Tenn......:	1,702	1,025	677	60.2	39.8	34.0	36.7	29.8	197	221	165	2,997	3,477	2,222	834	841	821	2984	2875	3191
Ala.......:	1,475	956	519	64.8	35.2	31.6	35.1	25.0	210	217	196	2,841	3.177	2,008	938	945	920	3515	3390	3839
Miss......:	1,357	677	680	49.9	50.1	30.9	37.7	24.1	207	210	203	2,155	2,622	1,653	1,055	1,022	1,107	3889	3503	4489
Ark.......:	1,021	606	415	59.4	40.6	30.6	34.5	24.8	172	173	171	2,494	2,696	2,075	937	954	903	3548	3362	3912
La........:	1,196	883	313	73.8	26.2	28.4	30.8	21.7	202	205	193	3,080	3,330	2,146	984	987	972	3774	3618	4391
Okla......:	863	569	294	65.9	34.1	32.7	33.4	31.3	157	172	133	3,432	3.467	3,361	837	891	720	3078	3075	3083
Tex.......:	2,392	1,586	806	66.3	33.7	34.9	36.5	31.6	158	174	129	3,527	3,751	3,014	848	875	785	3048	3041	3064
Mont......:	336	221	115	65.8	34.2	36.0	36.7	34.8	174	181	163	4,832	5,050	4,289	914	944	851	3130	3140	3110
Idaho.....:	350	202	148	57.7	42.3	36.0	38.1	33.1	189	190	188	4,763	5,018	4,293	910	913	905	3404	3233	3653
Wyo.......:	143	96	47	67.1	32.9	37.8	38.5	36.2	165	162	172	5,298	5,607	4,340	842	849	824	3135	3024	3370
Colo......:	461	318	143	69.0	31.0	36.0	37.4	32.9	181	188	167	4,653	4,860	4,075	872	889	829	3120	3058	3266
N. Mex....:	325	253	72	77.8	22.2	29.8	30.8	26.4	238	253	189	3,900	3,929	3.780	970	985	902	3790	3835	3607
Ariz......:	332	258	74	77.7	22.3	32.5	34.5	25.7	202	199	216	4,424	4,586	3,384	888	862	1,059	3436	3331	4067
Utah......:	223	158	65	70.9	29.1	32.7	37.3	23.1	219	218	221	5,181	5,259	4,764	1,005	996	1,046	3830	3733	4222
Nev.......:	85	72	13	84.7	15.3	43.5	44.4	38.5	146	152	113	5,738	5,825	4,857	680	677	703	2433	2397	2697
Wash......:	910	711	199	78.1	21.9	37.5	38.8	32.2	171	177	151	5,520	5,606	5,029	829	834	809	2900	2848	3119
Oreg......:	669	504	165	75.3	24.7	36.2	37.3	32.7	158	167	135	5,332	5,434	4,824	841	850	805	2954	2925	3060
Calif.....:	2,144	1,681	463	78.4	21.0	38.0	39.7	31.5	172	182	133	5,635	5,718	5,161	762	759	776	2723	2698	2849
Alaska....:	140	137	3	97.9	2.1	42.9	43.1	33.3	284	286	179	6,508	6,485	8,179	722	718	969	3161	3155	2/
Hawaii....:	149	137	12	91.9	8.1	41.6	42.3	33.3	185	184	195	5,032	5,011	5,329	757	742	974	3394	3323	4094

1/ Ratio of persons aged under 15 and 65 and over per 1,000 persons 20-64 years old. 2/ Base less than 200.

Source: 1960 Census of Population (42), and U.S. Dept. Agr., Economic Research Serv.

Table 16.--Distribution and percentage change of the rural population by regions and divisions, 1960 and 1950

Region and division	1960			1950			Percentage change, 1950-60		
	Rural			Rural			Rural		
	Total	Nonfarm	Farm	Total	Nonfarm	Farm	Total	Nonfarm	Farm
United States									
Number (thou.)	54,054	38,419	15,635	54,479	31,431	23,048	-0.8	22.2	-32.2
Percent	100.0	100.0	100.0	100.0	100.0	100.0	---	---	----
Regions:									
Northeast	16.4	20.0	7.2	14.9	20.1	7.8	9.0	22.3	-37.5
North Central	29.8	26.8	37.3	29.3	27.1	32.3	1.1	20.7	-21.5
South	42.2	40.8	45.8	44.5	39.3	51.6	-5.9	26.8	-39.8
West	11.6	12.4	9.7	11.3	13.5	8.3	1.7	12.1	-21.2
Divisions:									
New England	4.6	5.8	1.5	4.1	5.8	1.8	12.0	24.1	-42.4
Middle Atlantic	11.8	14.2	5.7	10.8	14.3	6.0	7.9	21.5	-36.1
East North Central	18.1	18.1	18.0	16.9	17.5	16.1	6.3	26.5	-23.8
West North Central	11.7	8.7	19.3	12.4	9.6	16.2	-6.0	10.1	-19.1
South Atlantic	20.6	21.6	18.2	19.8	19.6	20.1	3.0	34.5	-38.7
East South Central	11.5	9.7	15.9	12.8	9.4	17.6	-11.1	26.6	-38.4
West South Central	10.1	9.5	11.7	11.9	10.3	13.9	-15.2	12.4	-43.1
Mountain	4.2	4.1	4.3	4.2	4.6	3.7	-1.5	10.2	-21.1
Pacific	7.4	8.3	5.4	7.1	8.9	4.6	3.6	13.1	-21.3

Source: 1960 Census of Population (42), United States Summary; 1950 Census of Population, United States Summary; and Farm Population Estimates for 1910-62, U.S. Department Agr., Econ. Res. Serv., ERS-130, Oct. 1963.

Table 17.--Percentage distribution and median age of U.S. population, by age and residence, 1960

Age	Total	Urban	Rural		
			Total	Nonfarm	Farm
	Percent				
All ages.........	100.0	100.0	100.0	100.0	100.0
Under 5 years....	11.3	11.2	11.6	12.2	9.9
5-9..............	10.4	10.0	11.2	11.3	11.0
10-14............	9.4	8.8	10.6	10.3	11.6
15-19............	7.4	7.0	8.4	8.0	9.4
20-29............	12.1	12.5	11.3	12.2	8.4
30-44............	20.1	20.8	18.5	19.0	17.0
45-64............	20.3	20.6	19.4	18.1	23.3
65 years and over	9.0	9.1	9.0	8.9	9.4
Median age.......	29.5	30.4	27.3	26.8	29.6

Source: **1960 Census of Population (42).**

Table 18.--Males per 100 females, by residence, 1960

Age	Total	Urban	Rural		
			Total	Nonfarm	Farm
All ages.....	97.0	94.0	104.3	103.3	107.2
Under 15 years...	103.6	102.9	105.1	104.8	106.0
15-19............	101.7	95.1	115.8	114.2	120.0
20-24............	95.7	89.2	114.3	113.4	118.5
25-34............	95.9	95.1	98.0	99.1	93.7
35-44............	95.2	93.4	99.9	101.4	95.6
45-54............	96.7	93.3	105.4	104.6	107.6
55-64............	93.0	89.1	103.3	99.0	113.9
65 years and over	82.1	75.7	99.1	93.5	117.3

Source: **1960 Census of Population (42).**

Table 19.--Median income in 1959 of farm operators and estimated median of their national counterpart, United States, 1960

Economic class of farm 1/	Median income, 1959	Estimated median income of the national counterpart 2/	Increase in median income of farm operators needed to equal estimated median of the national counterpart, 1959	
			Amount	Percentage increase
	Dollars	Dollars	Dollars	Percent
All farm operators	2,606	3,526	920	35.3
Commercial	2,627	3,818	1,191	45.3
I ($40,000 and over)	6,091	4,833	--	--
II ($20,000-$39,999)	4,133	4,636	503	12.2
III ($10,000-$19,999)	3,155	4,382	1,227	38.9
IV ($5,000-$9,999)	2,569	3,895	1,326	51.6
V ($2,500-$4,999)	2,338	3,184	846	36.2
VI ($50-$2,499)	886	2,513	1,627	183.6
Other	2,560	2,991	431	16.8
Part-time, abnormal	3,276	3,741	465	14.2
Part-retirement	1,114	1,374	260	23.3

1/ Commercial farms are ranked from Class I to VI according to value of farm products sold (shown in parentheses). Operators of Class VI farms are under 65 years of age and the family has limited off-farm income. For part-time and part-retirement farms, value of farm products sold is the same as for Class VI farms. Operators of part-time farms are under 65 years of age and the family depends heavily on off-farm income. Operators of part-retirement farms are 65 years old or over. Abnormal farms include institutional farms, Indian reservations, experimental farms, etc.

2/ Estimated 1959 median income of farm operators that would be equivalent to median income of United States males 20 years of age or over of comparable earning capacity; the medians are also adjusted downward by 15 percent -- an arbitrary assumption that a median money income for farm operators 85 percent of that for comparable groups in the United States as a whole represents equivalent real income.

Note: Median income of United States males 20 years old or over was $4,386; 65 years old or over, $1,764.

Source: Based on unpublished estimates obtained from a cooperative study of the Economic Development Division, U.S. Department of Agriculture, and the Agriculture Division, Bureau of the Census.

Table 20 .--Median income in 1959 of nonfarm rural men and estimated median of their national counterpart, by age and years of school completed, April 1960 1/

Age in 1960 (years)	Total	Years of school completed								
		None	Elementary			High School		College		
			1-4	5-7	8	1-3	4	1-3	4	5 or more
	1959 median income (dollars)									
20-21....	1,793	749	906	1,327	1,679	1,850	1,987	1,380	2,121	-----
22-24....	2,701	823	1,231	1,842	2,393	2,769	3,178	2,516	2,629	2,421
25-29....	3,971	966	1,658	2,646	3,454	3,813	4,465	4,580	5,073	4,937
30-34....	4,672	1,208	1,946	3,208	4,102	4,634	5,139	5,790	6,823	6,574
35-44....	4,821	1,254	2,150	3,399	4,316	4,837	5,490	6,318	8,170	8,152
45-54....	4,302	1,411	1,963	3,322	4,165	4,693	5,376	6,059	7,917	8,293
55-64....	3,372	1,163	1,639	2,821	3,556	4,110	4,734	5,340	6,682	7,260
Total...	4,052	1,215	1,843	3,022	3,864	4,219	4,663	5,014	6,294	6,855
	Estimated median income (dollars) of national counterpart									
20-21....	1,960	775	1,042	1,452	1,832	1,995	2,237	1,226	-----	-----
22-24....	2,837	900	1,395	1,970	2,623	2,984	3,272	2,495	2,544	2,232
25-29....	4,193	1,389	1,915	2,821	3,646	4,093	4,669	4,673	5,225	4,898
30-34....	4,970	1,573	2,326	3,445	4,314	4,939	5,403	5,885	7,299	7,040
35-44....	5,140	1,583	2,486	3,699	4,550	5,207	5,754	6,582	8,530	8,300
45-54....	4,785	1,860	2,409	3,762	4,568	5,186	5,736	6,650	8,770	8,913
55-64....	4,033	1,815	2,234	3,413	4,162	4,775	5,251	6,022	7,944	8,326
Total...	4,424	1,660	2,256	3,384	4,223	4,596	4,929	5,250	6,703	7,193
	Dollar difference between median income and estimated median of national counterpart									
20-21....	167	26	136	125	153	145	250	0	-----	-----
22-24....	136	77	164	128	230	215	94	0	0	0
25-29....	222	423	257	175	192	280	204	93	152	0
30-34....	298	365	380	237	212	305	264	95	476	466
35-44 ...	319	329	336	300	234	370	264	264	360	148
45-54....	483	449	446	440	403	493	360	591	853	620
55-64....	661	652	595	592	606	665	517	682	1,262	1,066
Total...	372	445	413	362	359	377	266	236	409	338
	Percentage increase in median income needed to equal estimated median of national counterpart									
20-21....	9.3	3.5	15.0	9.4	9.1	7.8	12.6	0	-----	-----
22-24....	5.0	9.4	13.3	6.9	9.6	7.8	3.0	0	0	0
25-29....	5.6	43.8	15.5	6.6	5.6	7.3	4.6	2.0	3.0	0
30-34....	6.4	30.2	19.5	7.4	5.2	6.6	5.1	1.6	7.0	7.1
35-44....	6.6	26.2	15.6	8.8	5.4	7.6	4.8	4.2	4.4	1.8
45-54....	11.2	31.8	22.7	13.2	9.7	10.5	6.7	9.8	10.8	7.5
55-64....	19.6	56.1	36.3	21.0	17.0	16.2	10.9	12.8	18.9	14.7
Total..	9.2	36.6	22.4	12.0	9.3	8.9	5.7	4.7	6.5	4.9

1/ National counterpart: Estimated 1959 median income of nonfarm rural males that would be equivalent to median income of all U. S. males of comparable earning capacity.

Source: Based on 1960 Census of Population (42).

Table 21.--Median income in 1959 of farm men and estimated median of their national counterpart, by age and years of school completed, April 1960 1/

Age in 1960 (years)	Total	None	Elementary 1-4	Elementary 5-7	Elementary 8	High School 1-3	High School 4	College 1-3	College 4	College 5 or more
	1959 median income (dollars)									
20-21	1,540	---	777	870	1,128	1,475	2,054	1,437	---	---
22-24.....	2,012	841	871	1,042	1,696	2,065	2,631	2,472	2,321	---
25-29.....	2,605	959	1,034	1,527	2,347	2,711	3,247	3,397	3,835	4,540
30-34.....	3,086	954	1,146	1,833	2,737	3,380	3,745	4,592	5,076	5,567
35-44.....	3,178	968	1,241	2,165	3,004	3,564	3,930	4,812	5,815	6,688
45-54.....	2,755	887	1,220	2,074	2,855	3,264	3,733	4,653	5,439	7,344
55-64.....	2,156	983	1,137	1,834	2,419	2,708	3,359	3,858	4,920	6,367
Total....	2,645	937	1,151	1,881	2,669	3,011	3,447	3,895	4,895	6,370
	Estimated median income (dollars) of national counterpart									
20-21.....	1,624	643	728	959	1,340	1,629	2,083	1,279	---	---
22-24.....	2,221	718	950	1,322	1,912	2,287	2,849	2,449	2,641	2,614
25-29.....	3,302	1,092	1,349	1,937	3,016	3,535	4,095	4,243	4,634	4,382
30-34.....	3,961	1,204	1,687	2,433	3,731	4,233	4,700	5,183	6,157	6,039
35-44.....	4,165	1,387	1,975	2,927	3,951	4,499	5,012	5,892	7,412	6,973
45-54.....	3,897	1,660	2,032	3,097	3,982	4,452	4,947	5,824	7,660	7,596
55-64.....	3,411	1,738	2,010	3,006	3,803	4,189	4,715	5,512	7,310	6,952
Total....	3,579	1,444	1,821	2,734	3,733	3,951	4,287	4,704	6,374	6,677
	Dollar difference between median income and estimated median of national counterpart									
20-21.....	84	---	0	89	212	154	29	0	---	---
22-24.....	209	0	79	280	216	222	218	0	320	---
25-29.....	697	133	315	410	669	824	848	846	799	0
30-34.....	875	250	541	600	994	853	955	631	1,081	472
35-44.....	987	419	734	762	947	935	1,082	1,080	1,597	285
45-54.....	1,142	773	812	1,023	1,127	1,188	1,214	1,171	2,221	252
55-64.....	1,255	755	873	1,172	1,384	1,481	1,356	1,654	2,390	585
Total....	934	507	670	853	1,064	940	840	809	1,479	307
	Percentage increase in median income needed to equal estimated median of national counterpart									
20-21.....	5.5	---	0	10.2	18.8	10.4	1.4	0	---	---
22-24.....	10.4	0	9.1	26.9	12.7	10.8	8.3	0	13.8	---
25-29.....	26.8	13.9	30.5	26.8	28.5	30.4	26.1	24.9	20.8	0
30-34.....	28.4	26.2	47.2	32,7	36.3	25.2	25.5	13.7	21.3	8.5
35-44.....	31.1	43.3	59.1	35.2	31.5	26.2	27.5	22.4	27.5	4.3
45-54.....	41.5	87.1	66.6	49.3	39.5	36.4	32.5	25.2	40.8	3.4
55-64.....	58.2	76.8	76.8	63.9	57.2	54.7	40.4	42.9	48.6	9.2
Total....	35.3	54.1	58.2	45.3	39.9	31.2	24.4	20.8	30.2	4.8

1/ National counterpart: Estimated 1959 median income of farm males that would be equivalent to median income of U. S. males of comparable earning capacity; medians also adjusted downward 15 percent, an arbitrary assumption that a median money income 85 percent of that for comparable groups in the United States as a whole represents equivalent real income.

Source: Based on 1960 Census of Population (42).

Table 22.--Percentage distribution of the labor force, 14 years old and over, by residence, for selected characteristics, 1960

Selected characteristics	Urban	Rural		
		Total	Nonfarm	Farm
Total labor force (thou.)	50,903	18,975	14,126	4,849
Region (percent)	100.0	100.0	100.0	100.0
Northeast	29.4	17.2	20.6	7.6
North Central	25.0	30.3	26.5	41.4
South	28.1	40.3	40.0	41.2
West	17.4	12.1	12.9	9.9
Age (percent)	100.0	100.0	100.0	100.0
14 - 17 years	3.0	4.0	3.6	5.3
18 - 24	13.7	14.5	15.4	11.9
25 - 44	45.2	43.3	45.8	36.0
45 - 59	28.4	28.1	26.7	32.1
60 and over	9.7	10.1	8.5	14.7
Sex (percent)	100.0	100.0	100.0	100.0
Male	65.7	73.9	72.3	78.8
Female	34.3	26.1	27.7	21.2
Color (percent)	100.0	100.0	100.0	100.0
White	88.7	91.4	91.7	90.8
Nonwhite	11.3	8.6	8.3	9.2
Color and sex:				
White labor force (thou.)	45,128	17,350	12,973	4,377
(percent)	100.0	100.0	100.0	100.0
Male	66.6	74.4	72.8	79.1
Female	33.4	25.6	27.2	20.9
Nonwhite labor force (thou.)	5,775	1,624	1,182	442
(percent)	100.0	100.0	100.0	100.0
Male	58.9	69.2	67.3	74.4
Female	41.1	30.8	32.7	25.6

Source: 1960 Census of Population, United States Summary, (42).

Table 23.--Percentage of population in the labor force, 14 years old and over, by residence, for selected characteristics, 1960

Selected characteristics	Urban	Rural		
		Total	Nonfarm	Farm
	Percent			
Total	57.0	51.4	51.3	51.5
Male	78.7	74.5	73.2	78.0
White	79.2	75.5	74.3	78.8
Nonwhite	75.0	64.6	62.4	70.3
Female	37.3	27.3	28.8	22.9
White	36.2	27.1	28.5	22.7
Nonwhite	45.8	29.6	31.5	24.4
Female:				
With own children under 6 years	21.9	19.4	20.0	17.1
Without own children under 6 years	41.5	29.8	31.7	24.3
Male:				
14 - 17 years	26.8	26.1	23.7	31.5
18 - 24	79.3	81.8	81.9	81.6
25 - 34	95.4	93.6	93.2	95.7
35 - 44	96.3	94.0	93.2	96.3
45 - 59	92.7	89.5	87.8	73.4
60 and over	46.3	43.7	36.5	61.0
Female:				
14 - 17 years	15.5	11.1	11.5	10.3
18 - 24	48.7	35.7	35.9	35.0
25 - 34	37.7	29.1	30.0	25.5
35 - 44	45.2	35.9	38.0	29.4
45 - 59	48.2	35.2	38.4	27.4
60 and over	17.6	11.7	12.1	10.6

Source: 1960 Census of Population, United States Summary, (42).

Table 24.--Percentage distribution of occupational group of employed persons, 14 years old and over, by residence and sex, 1960 and 1950

Occupational group and sex	1960				1950			
	Urban	Rural			Urban	Rural		
		Total	Nonfarm	Farm		Total	Nonfarm	Farm
Males (thou.)	30,866	12,601	8,908	3,693	26,188	14,331	7,496	6,836
Total (percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
White-collar workers	40.2	21.4	27.2	7.6	38.9	16.2	26.2	5.3
Professional and technical	12.0	6.0	7.8	1.7	9.3	3.7	6.1	1.2
Managers, officials, and proprietors	11.9	7.6	9.7	2.7	13.0	6.5	10.7	2.0
Clerical	8.3	3.7	4.6	1.6	8.4	2.8	4.3	1.0
Sales	8.0	4.1	5.1	1.6	8.2	3.2	[illegible]	1.1
Blue-collar workers	46.5	45.8	56.0	21.0	51.2	38.8	58.4	[illegible]
Craftsmen	20.2	17.9	22.3	7.0	21.2	13.9	[illegible]	[illegible]
Operatives	19.7	20.3	24.5	10.1	21.8	16.8	25.0	[illegible]
Laborers	6.6	7.6	9.2	3.9	8.2	8.1	11.8	4.0
Service	7.1	3.6	4.6	1.3	7.8	2.8	[illegible]	.9
Private household	.1	.2	.2	.1	.2	.2	[illegible]	.1
Other service	7.0	3.4	4.4	1.2	7.6	2.6	[illegible]	.8
Farm	1.0	26.0	8.6	68.1	1.0	40.9	9.5	75.4
Operators and managers	.4	18.0	3.5	53.0	.4	28.5	3.0	56.3
Laborers	.6	8.0	5.1	15.1	.6	12.4	6.5	19.1
Occupation not reported	5.1	3.2	3.7	2.0	1.0	1.3	1.4	1.1
Females(thou.)	16,524	4,648	3,668	980	12,217	3,503	2,364	1,138
Total (percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
White-collar workers	57.2	44.1	46.5	35.1	55.8	40.4	47.0	26.8
Professional and technical	13.2	12.3	12.4	12.0	12.4	12.2	13.3	10.0
Managers, officials, and proprietors	3.7	3.8	4.2	2.1	4.2	4.5	5.7	2.0
Clerical	32.3	20.6	22.0	15.4	30.6	15.9	18.6	10.2
Sales	8.0	7.4	7.9	5.6	8.6	7.8	9.4	4.6
Blue-collar workers	16.2	20.2	21.2	16.4	21.9	20.2	22.9	14.7
Craftsmen	1.2	1.0	1.1	.8	1.6	1.1	1.3	.7
Operatives	14.5	18.5	19.4	15.1	19.5	18.1	20.5	13.3
Laborers	.5	.7	.7	.5	.8	1.0	1.1	.7
Service	20.5	24.1	25.4	18.9	20.6	20.9	24.7	13.0
Private household	7.4	9.5	9.7	8.7	8.3	9.2	10.3	7.1
Other service	13.1	14.6	15.7	10.2	12.3	11.7	14.4	5.9
Farm	.3	6.9	2.1	25.0	.3	15.2	3.0	40.6
Operators and managers	.1	2.3	.4	9.5	.1	3.1	.5	8.5
Laborers	.2	4.6	1.7	15.5	.2	12.1	2.5	32.1
Occupation not reported	5.9	4.7	4.7	4.6	1.4	3.3	2.5	5.1

Source: 1960 and 1950 Censuses of Population, United States Summary.

Table 25.--Percentage distribution of occupational group of employed nonwhite persons, 14 years old and over, by residence and sex, 1960

Occupational group and sex	Urban	Rural		
		Total	Nonfarm	Farm
Nonwhite males (thou.)	3,020	985	667	318
Total (percent)	100.0	100.0	100.0	100.0
White-collar workers	15.3	4.3	5.7	1.6
Professional and technical	4.5	1.8	2.4	.6
Managers, officials and proprietors	2.7	1.0	1.3	.4
Clerical	6.3	1.0	1.3	.4
Sales	1.8	.5	.7	.2
Blue-collar workers	55.7	44.8	56.5	20.2
Craftsmen	11.3	6.6	8.4	2.7
Operatives	25.0	18.8	23.4	9.3
Laborers	19.4	19.4	24.7	8.2
Service	17.3	5.8	7.7	1.9
Private household	.8	.6	.7	.3
Other service	16.5	5.2	7.0	1.6
Farm	1.8	41.4	25.8	74.3
Operators and managers	.5	16.3	5.8	38.4
Laborers	1.3	25.1	20.0	35.9
Occupation not reported	9.9	3.7	4.4	2.1
Nonwhite females (thou.)	2,167	456	352	104
Total (percent)	100.0	100.0	100.0	100.0
White-collar workers	20.6	10.4	11.2	7.6
Professional and technical	7.7	6.4	6.7	5.3
Managers, officials and proprietors	1.2	1.0	1.1	.5
Clerical	9.8	2.0	2.3	1.0
Sales	1.9	1.0	1.1	.8
Blue-collar workers	15.6	9.1	10.1	5.5
Craftsmen	.8	.3	.3	.2
Operatives	13.9	7.8	8.7	4.6
Laborers	.9	1.0	1.1	.7
Service	54.2	58.9	63.7	42.7
Private household	32.1	44.7	47.6	35.0
Other service	22.1	14.2	16.1	7.7
Farm	.6	17.4	10.5	41.0
Operators and managers	.1	3.4	1.3	10.8
Laborers	.5	14.0	9.2	30.2
Occupation not reported	8.9	4.2	4.4	3.3

Source: 1960 Census of Population, United States Summary, (42).

Table 26.--Physician visits per year, by sex, age, residence, and family income of patients, 1963-64 1/

Sex and age of patients	Total visits	Residence			Family income			
		Inside SMSA's	Outside SMSA's		Under $2,000	$2,000 to $3,999	$4,000 to $6,999	$7,000 and over
			Nonfarm	Farm				
Total per 1 mil. pop.....	844.3	568.3	237.0	39.0	92.8	130.6	263.1	316.9
By sex:								
Male----1 million.....	356.1	237.7	100.2	18.3	31.2	53.9	112.9	142.0
Female--1 million.....	488.3	330.7	136.9	20.7	61.6	76.6	150.2	174.9
VISITS PER PERSON								
Total....................	4.5	4.8	4.3	3.3	4.3	4.3	4.5	4.9
By age:								
0-4 years..............	5.5	6.0	4.7	3.6	3.1	4.6	5.6	6.8
5-14....................	2.8	3.1	2.5	1.8	1.2	2.0	2.7	3.5
15-24....................	4.3	4.5	4.2	2.7	4.2	4.6	4.2	4.4
25-44....................	4.5	4.8	4.2	2.8	3.8	3.8	4.6	4.9
45-64....................	5.0	5.2	4.8	4.7	5.2	4.9	5.1	5.2
65 years and over	6.7	6.8	6.7	5.4	6.1	6.7	7.0	7.3
By sex:								
Male...................	4.0	4.2	3.7	3.0	3.4	3.8	3.9	4.3
Female.................	5.1	5.4	4.8	3.7	5.0	4.8	5.1	5.4

1/ Includes Alaska and Hawaii. Data are annual averages based on household interviews from July 1963-June 1964 and refer to the civilian noninstitutional population.

Source: Vital and Health Statistics, Public Health Serv., Ser. 10, No. 19, U.S. Dept. Health, Education, and Welfare.

Table 27.--Dental visits per year, by sex, age, residence, and family income of patients, 1963-64 1/

Sex and age of patients	Total visits	Residence			Family income			
		Inside SMSA's	Outside SMSA's: Nonfarm	Outside SMSA's: Farm	Under $2,000	$2,000 to $3,999	$4,000 to $6,999	$7,000 and over
Total per 1 mil.pop	293.7	216.1	66.6	11.0	16.6	26.1	85.2	151.5
By sex:								
Male---1 million	129.0	95.6	27.9	5.5	6.7	9.6	36.6	70.6
Female-1 million	164.8	120.5	38.7	5.5	9.8	16.5	48.6	80.9
VISITS PER PERSON								
Total..............	1.6	1.8	1.2	.9	.8	.9	1.4	2.3
By age:								
0-4 years.......	.3	.4	.3	.1	.1	.1	.3	.5
5-14............	1.9	2.2	1.4	1.0	.9	.8	1.7	2.7
15-24............	2.0	2.3	1.6	1.1	1.3	1.1	1.9	2.8
25-44............	1.9	2.1	1.4	1.5	1.0	1.1	1.7	2.4
45-64............	1.7	1.9	1.4	1.0	.8	1.1	1.5	2.4
65 years and over	.8	.9	.7	.3	.5	.7	1.0	1.5
By sex:								
Male............	1.4	1.7	1.0	.9	.7	.7	1.3	2.2
Female..........	1.7	2.0	1.4	1.0	.8	1.0	1.6	2.5

1/Table includes Alaska and Hawaii. Data are annual averages based on household interviews from July 1963-June 1964 and refer to the civilian noninstitutional population.

Source: Vital and Health Statistics, Public Health Serv. Ser. 10, No. 13, and unpublished data, U.S. Dept. Health, Education and Welfare.

Table 28.--Average family expenditures for medical care, value of free care, and percentage of families reporting expenditures and free care, by residence, 1961 1/

Item	Total		Urban		Rural			
					Nonfarm		Farm	
	Amount	Percentage reporting	Amount	Percentage reporting	Amount	Percentage reporting	Amount	Percentage reporting
	Dol.	Pct.	Dol.	Pct.	Dol.	Pct.	Dol.	Pct.
Total expenditure	345	98	362	98	297	98	310	98
Prepaid care	91	72	94	75	83	66	83	63
Total direct expenditure	254	97	268	97	215	96	226	97
Hospitalized illness	49	24	50	24	43	25	57	28
Physicians' services outside hospitals	55	75	58	75	47	76	48	78
Dental services	47	57	53	58	32	52	31	55
Eye care 2/	16	37	17	38	15	34	16	37
Other practitioners	3	5	3	5	2	5	4	8
Medicines and drugs	68	91	69	91	66	91	59	91
Medical appliances	4	34	4	35	3	33	4	32
Other medical care 3/	8	20	9	21	5	16	7	14
Free care	34	24	36	25	30	22	22	13
	Thou.		Thou.		Thou.		Thou.	
Number of families reporting	55,306		40,131		11,663		3,512	

1/ Preliminary data. Detail may not add to total because of rounding.

2/ Includes glasses. 3/ Includes nursing care in the home.

Source: Family Expenditures for Medical Care (32).

Table 29.--Selected housing characteristics, by residence, United States, 1960

Item	Total	Urban	Rural		
			Total	Nonfarm	Farm
Occupied housing units (thou.)	53,024	38,320	14,704	11,137	3,566
	Percent				
Condition, occupied units:					
Sound	81.2	85.4	71.5	71.9	69.7
Deteriorating	13.8	11.2	20.0	19.2	22.9
Dilapidated	5.0	3.4	8.5	8.9	7.3
Sound with complete plumbing	74.0	81.4	56.7	58.2	50.9
Tenure:					
Owner-occupied	61.9	58.3	40.5	29.7	26.2
Renter-occupied	38.1	31.7	59.5	70.3	73.8
Sound condition with complete plumbing:					
Owner-occupied	65.0	90.3	67.0	70.3	57.2
Renter-occupied	65.5	71.6	42.6	45.3	33.0
Water supply inside unit: 1/					
Both hot and cold	87.2	95.0	69.3	70.3	65.3
Only cold	5.7	4.0	9.7	9.7	9.5
None	7.1	1.0	21.0	20.0	25.2
Bathroom facilities: 1/					
Flush toilet	89.7	98.1	70.3	72.7	62.4
Bathtub or shower	88.1	96.3	69.1	71.1	62.9
More than 1 person per room	11.5	10.2	15.1	15.4	14.4

1/ Data apply to all housing units.

Source: 1960 Census of Population (42).

Table 30.--Condition of rural housing by age of head of household, 1960

Condition of housing	Age of head of household: 65 years and older	Age of head of household: Under 65 years
	Percent	Percent
Sound	59.6	69.0
With all plumbing facilities	50.5	62.1
With piped water but lacking some plumbing facilities	9.1	6.9
Deteriorating	13.4	11.6
With all plumbing facilities	7.6	7.4
With piped water but lacking plumbing facilities	5.8	4.2
Sound or deteriorating, no piped water	17.8	12.3
Dilapidated	9.1	7.1
Total	100.0	100.0

Source: 1960 Census of Housing.

Table 31.--Rural housing units dilapidated or lacking complete plumbing, by income, tenure, and residence, 1960

Income	Total rural	Nonfarm: Owner-occupied	Nonfarm: Renter-occupied	Farm: Owner-occupied	Farm: Renter-occupied
	Percent				
Less than $2,000	59.9	49.3	74.0	58.8	80.4
$2,000-$2,999	44.4	36.4	56.1	39.9	57.9
$3,000-$3,999	33.8	28.4	40.3	32.7	45.4
$4,000-$5,999	21.9	17.3	27.1	26.5	38.1
$6,000-$9,999	11.6	8.0	16.7	18.5	31.2
$10,000-or more	6.2	3.7	11.6	10.4	22.0
Total	32.6	23.3	44.8	35.4	49.5

Source: 1960 Census of Housing, vol. IV, Rural Housing.

Table 32.--Selected characteristics of housing units, farm and nonfarm rural, by regions, United States, 1960

Item	Northeast		North Central		South		West	
	Farm	Nonfarm	Farm	Nonfarm	Farm	Nonfarm	Farm	Nonfarm
Number of occupied units	239,950	2,203,947	1,482,144	3,099,621	1,506,934	4,453,919	337,293	1,379,697
Median number of rooms 1/	7.2	5.4	6.3	5.0	5.2	4.6	5.3	4.3
Median number of persons	3.5	3.2	3.3	3.0	3.4	3.3	3.3	3.1
	Percent							
Built in 1959-60 1/	7.0	29.6	7.7	27.1	15.8	32.5	19.3	37.2
Sound with all plumbing facilities 1/	64.9	71.3	58.9	60.3	36.5	47.2	69.7	65.4
With more than 1 person per room	6.1	8.6	8.7	11.7	21.0	20.4	15.6	18.0
Occupant moved during 1958-60	10.3	25.3	12.5	30.1	18.4	34.5	21.3	43.5
Occupied by nonwhite	.7	1.3	.4	1.1	18.3	16.3	4.6	5.6
Owner-occupied	86.0	78.1	76.7	75.4	68.7	64.6	75.5	64.8
Renter-occupied	14.0	21.9	23.3	24.6	31.3	35.4	24.5	35.2
	Dollars							
Median value, nonfarm owner-occupied	----	11,000	----	8,500	----	6,300	----	10,000
Median monthly gross rent for nonfarm units	----	66	----	63	----	42	----	66

1/ For nonfarm housing units, data include occupied and vacant units; elsewhere, data apply only to occupied housing units.

Source: 1960 Census of Housing.

Table 33.--Composition of the nonwhite population by residence, United States, 1960 and 1950

Race	1960					1950 1/				
	Total	Percentage distribution				Total	Percentage distribution			
		Urban	Rural				Urban	Rural		
			Total	Nonfarm	Farm			Total	Nonfarm	Farm
	Thou.	Pct.	Pct.	Pct.	Pct.	Thou.	Pct.	Pct.	Pct.	Pct.
Negro-------	18,849	73.2	26.8	19.0	7.8	15,045	62.4	37.6	16.6	21.0
Indian 2/---	546	30.4	69.6	55.3	14.3	342	16.4	83.6	51.9	31.7
Japanese----	473	81.5	18.5	13.1	5.4	141	71.0	29.0	10.1	18.9
Chinese-----	236	95.5	4.5	3.9	0.6	117	93.1	6.9	5.1	1.8
Filipino----	182	74.0	26.0	21.9	4.1	62	66.4	33.6	15.3	18.3
Other 3/----	202	68.0	32.0	29.9	2.1	48	23.2	76.8	23.6	53.2

1/ Excludes Alaska and Hawaii.

2/ In addition to full-blooded American Indians, persons of mixed white and Indian blood are included in this category if they are enrolled on an Indian tribal or agency roll or if they are regarded as Indians in their community.

3/ Includes Hawaiians, Eskimos, Aleuts, Koreans, Asian Indians, Malayans, and others.

Source: U.S. Census of Population: 1960 and 1950. Subject Reports. Nonwhite Population by Race.

Table 34.--Summary of changes in socioeconomic status of whites and nonwhites, by residence, 14 Southern States, 1950-60

Measure of socioeconomic status	Number of States in which white-nonwhite difference --					
	Widened, 1950-60			Narrowed, 1950-60		
		Rural			Rural	
	Urban	Nonfarm	Farm	Urban	Nonfarm	Farm
Economic:						
Unemployment rate	6	9	13	8	5	1
Percent employed in white-collar jobs	5	7	14	9	7	0
Median income of families and unrelated individuals 1/	9	10	14	4	4	0
Education:						
Percent 15-year-olds retarded in school 2/	0	1	2	14	12	11
Percent persons 25-29 years old with 12 or more years of school completed 2/	2	7	13	12	6	0
Demographic:						
Average size of household 2/	14	13	13	0	0	0
Percent children 5-9 years old in families where head is not their parent 2/ 3/	4	9	12	9	4	1
Number of children ever born to women 35-39 years old 4/	13	8	8	0	2	2
Housing:						
Percent dwelling units with 1.01 or more persons per room	13	14	14	1	0	0
Percent dwelling units with hot and cold piped water inside structure	0	14	14	14	0	0
Percent dwelling units in sound condition	0	2	5	14	12	9
Sum of frequencies	66	94	122	85	52	24

1/ No change in urban population of Arkansas.

2/ Not available for nonfarm rural or farm population in Kentucky.

3/ No change in urban population of Alabama.

4/ Not available for Oklahoma or for nonfarm rural or farm population in Maryland, Kentucky, and Tennessee.

Source: Derived from 1950 and 1960 U. S. Censuses of Population and Housing.

Table 35.--Nonwhite-operated farms in the South by tenure, type of farm, and value of products sold, 1959

Tenure and type of farm	Total 1/	Commercial farms by value of products sold					Noncommercial 2/	
		Total	$10,000 and over	$5,000 to $9,999	$2,500 to $4,999	Under $2,500	Part-time 3/	Part-retirement
	Number							
Tenure:								
Total	265,336	154,298	3,380	20,230	51,862	78,826	67,065	43,973
Full owners	89,754	28,556	453	1,672	6,350	20,081	32,475	28,723
Part owners	37,534	22,446	1,223	3,458	7,284	10,481	10,091	4,997
All tenants	138,048	103,296	1,704	15,100	38,228	48,264	24,499	10,253
Type:								
All types	---	154,298	3,380	20,230	51,862	78,826	---	---
Cash-grain 4/	---	2,286	160	228	487	1,360	---	---
Tobacco 4/	---	40,670	971	9,831	17,942	11,921	---	---
Cotton 4/	---	87,074	1,098	6,828	26,839	52,139	---	---
Other field-crop 4/	---	4,867	240	736	1,405	2,201	---	---
Poultry	---	448	173	80	80	115	---	---
Dairy	---	1,131	81	145	310	595	---	---
Livestock	---	6,618	117	319	970	5,222	---	---
General	---	9,596	398	1,868	3,498	3,832	---	---
Vegetable, fruit-and-nut and miscellaneous 5/	---	1,608	142	195	331	1,441	---	---

1/ Total excludes 290 managers.

2/ **Part-time farms are those selling less than $2,500 of products a year whose operators are under age 65 and** depend heavily on off-farm jobs or income. Part-retirement farms are those selling less than $2,500 of products a year whose operators are 65 years old and over.

3/ **Includes 1,000 noncommercial farmers of unknown age.**

4/ Value of products sold not known for some farms.

5/ Distribution includes value of products sold for 501 grain, tobacco, cotton, and other field-crop farms.

Source: 1959 Census of Agriculture, vol. I.

Table 36.--Number of white persons of Spanish surname, by residence, 5 Southwestern States, 1960 and 1950

State	Total	Urban	Rural		
			Total	Nonfarm	Farm
	Thousands				
Arizona					
1960-----	195	146	49	37	12
1950-----	129	79	50	41	9
California					
1960-----	1,426	1,218	208	154	54
1950-----	761	576	185	127	58
Colorado					
1960-----	158	108	50	40	10
1950-----	119	59	60	41	19
New Mexico					
1960-----	269	155	114	99	15
1950-----	249	102	147	89	58
Texas					
1960-----	1,418	1,114	304	212	92
1950-----	1,034	704	330	195	135
Total for 5 States					
1960-----	3,466	2,741	725	542	183
1950-----	2,292	1,520	772	493	279

Source: U. S. Census of Population: 1960 and 1950. Subject Reports. Persons of Spanish Surname.

Table 37.--Indian population in selected States, by residence, 1960

State	Total	Urban	Rural	Percentage rural
Alaska............	14,444	3,524	10,920	75.6
Arizona	83,387	8,300	75,087	90.0
California........	39,014	20,619	18,395	47.1
Minnesota.........	15,496	4,798	10,698	69.0
Michigan	9,701	5,007	4,694	48.3
Montana	21,181	2,572	18,609	87.9
New Mexico	56,255	8,960	47,295	84.1
North Carolina ...	38,129	1,698	36,431	95.5
North Dakota......	11,736	1,174	10,562	90.0
Oregon............	8,026	2,580	5,446	67.9
Oklahoma	64,689	23,917	40,772	63.0
South Dakota......	25,794	4,558	21,236	82.3
Washington	21,076	7,025	14,051	66.6
Wisconsin	14,297	3,996	10,301	72.0
United States..	523,591			

Source: 1960 Census of Population (42, vol. I).

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